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Legislative Assembly of Ontario

Second Session, 34th Parliament

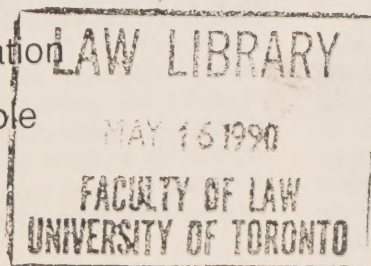
Official Report of Debates (Hansard)

Wednesday 7 March 1990

Standing Committee on Public Accounts

Annual Report
Provincial Auditor, 1989

Ministry of Transportation
Ontario Board of Parole



Chair: Ed Philip
Clerk: Tannis Manikel

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Le mercredi 7 mars 1990

Comité permanent des comptes publics

Rapport annuel de 1989 du
vérificateur provincial

Ministère des Transports
Commission ontarienne
des libérations conditionnelles

Président : Ed Philip
Greffier : Tannis Manikel

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Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste des membres du comité et des autres députés ayant participé.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 965-2159.

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Wednesday 7 March 1990

The committee met at 1018 in committee room 1.

ANNUAL REPORT, PROVINCIAL AUDITOR, 1989 MINISTRY OF TRANSPORTATION

The Chair: Hansard is now connected, so I am going to call the committee to order. This is the Wednesday 7 March meeting of the standing committee on public accounts, dealing with section 3.13 in the 1989 annual report of the Provincial Auditor.

We have, sitting right in the middle, Pat Jacobsen, the Deputy Minister of Transportation. Next to her is Margaret Kelch, the assistant deputy minister of safety and regulations. On my far right is Pamela Bryant, the executive director of the transportation regulation operations division. We have only this morning to deal with this, so our questions are going to have to be fairly direct, and hopefully the answers will also be very direct. We have had deputy ministers who have been somewhat circumlocutory in their answers, but on very few occasions.

There are three items we are dealing with in the auditor's report. For those of you who have the report with you, although it is summarized in your briefing notes, the items start on page 164 of the auditor's report. The matters are driver system data processing, concerns about the vehicle registration system and, last, resource acquisition and utilization.

I have proposed to the committee that since resource acquisition and utilization is probably the least contentious and will take the least amount of time, we would like to do these items in reverse order. In this way, we are not going to get bogged down with great interest on the first item and never get around to the second and third items.

So we will do them in this order and I would like them, as much as possible, to be separated in the questioning and in the answers, so that we can proceed in an orderly fashion. Resource acquisition and utilization will be first, vehicle registration systems second and, last, the driver system data processing. I would ask the deputy minister if she has any comments on the first item we will deal with, namely the resource acquisition and utilization problems.

Ms Jacobsen: I have a few very, very brief remarks. In terms of overview for the committee, we are talking about a program of \$100 million, 1,600 staff that is decentralized throughout the province, plus approximately 300 private issuers, 11,000 motor vehicle inspection stations, six million drivers and seven million vehicles. In terms of the resource allocation, which is the specific request you have asked me about, are you referring to the acquisition of the software in the systems in that section?

The Chair: Yes, and also in the contracts.

Ms Jacobsen: Specifically within that, the ministry spent about \$20 million in terms of systems contracts, because it is one of the largest systems bases of the province, I think second to OHIP, so we are into systems in a fairly major way. I think the auditor's report identified that, in general, things were carried out quite well, but did identify some specific concerns, which we have looked at within the ministry.

I think we were particularly concerned about suggestions of contracts that went over the ceilings. I do not know whether the committee is aware that we have within the ministry a consultant contract award committee that reviews all requests for consultant contracts that are being awarded over a certain size, which is \$50,000. Then it also reviews any consultant assignments that are going to go over the limit. I think I would like to ask Margaret if she has anything further to say in terms of the specific ones.

Ms Kelch: As the deputy has indicated, the consultant assignment committee in the ministry has some very specific approval responsibilities within the transportation regulation program, to which these particular findings relate. We, in each one of the circumstances that the auditor had a look at, did take each of those requests for proposals and subsequent consultant responses to the committee for approval. When the upper limits were approved, we started those contracts and carried out the work. In each one of the circumstances they were projects for which we felt we had a pretty good sense of what needed to be done.

However, in one of the major ones, the Truck Transportation Act was one of the major components of the changes that had to be made. Over the two-plus years when that contract was, in fact, being carried out, many of you were involved in that process, and that legislation changed several times during that exercise. So rather than going back and recrafting and reissuing that proposal, we felt it was a much better use of the resources to adapt and adjust the existing contract and have the originally assigned consultant carry out the effort.

The Chair: Thank you. Jim Otterman, I am going to ask you to introduce the staff you have with you from the Provincial Auditor's office. If you have any comments on the first item, please give us your comments.

Mr Otterman: With me are Dave Stasila, the director responsible for the electronic data processing audits, and Rick MacNeil, the team leader who is primarily responsible for the field work.

On this section, I do not believe I have any comments. It is pretty well stated in the report and the ministry has responded at this point. I think it was perhaps the preponderance of what appeared to be changes to contracts after they were originally let, and that was a point we were bringing out. I believe the response today indicates that at least in one of them you had a problem with ongoing changes to the act and just natural changes that had to take place in a contract. So I have no other comments at this point.

Ms Poole: With reference to the computer systems library management software project and the \$165,000 that was invested in the software that later proved not to be efficient for use in your ministry, we were speculating earlier that perhaps the original purchase contract may have contained a provision that you could not sell it, except back to the original supplier.

However, have you attempted to contact any of the other ministries to see whether you could transfer that system to them

and whether it would be useful for their particular systems management?

Ms Kelch: No, we have not done that because one of the major challenges we had with this particular package was that our level of confidence in terms of the vendor significantly deteriorated through that period of time. So we did not feel, in all good conscience, that it was a good idea for us to be attempting to use it or to promote it elsewhere.

Ms Poole: Just one clarification about the consultants: I gather what you are saying is that at the beginning of the legislative process you had no idea it would be changing significantly along the way and that it was the change in the legislation that resulted in more consultants' time having to be expended and that you felt it was expeditious to use the same consultants, who already had the knowledge base, rather than start over.

Ms Kelch: Actually it was both things. It was as you describe, but it was also the length of time it took. It took much, much longer than we had originally anticipated in terms of getting that piece of legislation through, so there were changes as a result of the extended period of time as well as the specific content changes.

Ms Poole: Thank you. I sympathize with you on the matter of getting legislation through. Sometimes it does seem a little unwieldy.

The Chair: Are there any further questioners on this item? Fine. We will move on to our second item, which, as I mentioned, is the vehicle registration system. I am going to ask Mr Otterman if he or his staff would like to summarize the key issues, and then we will have a response from the ministry and then open it up for questioning.

1030

Mr Otterman: It is a very large application system, as the deputy mentioned, with a high volume of transactions and millions of registrants. We audited this previously back in about 1983 and we followed up on deficiencies at interim periods since then. This audit, more or less, confirmed that the revenue transaction processing and all the processing in that system related to revenue, where there had been some natural startup problems back when this system first came into being, were essentially taken care of. Where we did have an observation was solely in the matter of the certificate or declaration that people make on applying for a licence to say that they have the necessary insurance coverage, which is not a criticism of the EDP system itself.

Ms Jacobsen: We are aware, in terms of the audit, of the concern. We have been asking for actual copies, rather than just a number, to show evidence of having insurance and that we are prepared, as part of our new driver system where we are looking at our whole way that we register drivers, to look at that as part of that system so that we have an assurance. We do not want to collect another piece of paper that we have to store somewhere, but we do want to be assured that people are running with valid insurance.

The Chair: How does that solve the problem? In the United States, it is quite frequent for this to be a requirement and yet they cancel it a month later, so they end up with no insurance 11 months out of the year.

Ms Jacobsen: I think it shows you at the point of time that they show it. You could look at a new driver system and at what

the Ministry of Financial Institutions is doing in terms of looking at what the database for the insurance industry will be so that there is some kind of an automatic notification. I think those kinds of things are going to have to be developed as we develop our system and as we have an insurance system that is more automated. At this point, it is only a capture in time.

Mr Kormos: What is the current census of motor vehicles registered in Ontario?

Ms Kelch: A little less than seven million.

Mr Kormos: Of those, how many are private vehicles as compared to commercial vehicles?

Ms Kelch: I do not have the precise number but my estimate would be that at least two thirds would be private vehicles.

Mr Kormos: The figure that is tossed about is five million, give or take.

Ms Jacobsen: That is about right.

Mr Kormos: That includes cars, motorcycles—

Ms Kelch: And small trucks.

Mr Kormos: —and little pickup trucks, half-tons or the minis, that sort of thing.

Police officers whom I have talked to say that it is important for police officers to be able to rapidly scan a licence plate with a view to determining whether there is a current validation sticker on it, and that is the rationale for having validation stickers colour-coded, so that a police officer can view them quickly without interfering with the operator of that vehicle.

Ms Jacobsen: You are talking about on the vehicle itself.

Mr Kormos: Yes. Police officers inevitably do that while they are following a vehicle. They take a quick look, and if it is the right colour, they carry on; if it is the wrong colour, a red flag goes up. Is that fair? Is that the rationale for the different-coloured licence stickers?

Ms Jacobsen: Yes.

Mr Kormos: Then why, on light pickup trucks, are they on the front of the truck as compared to the back, where a police officer can almost never be in a position to conveniently see them?

Ms Kelch: On the pickup truck, they are on the front?

Mr Kormos: Yes.

Ms Jacobsen: Legally, they are supposed to be on the back.

Mr Kormos: Not on pickup trucks.

The Chair: I wonder if I can ask a supplementary to that. Why is it necessary to have two plates in the first place? A number of jurisdictions, including Canadian jurisdictions, have done away with the front plate. Environmentalists have pointed out that not only is it an extra expense, it is also extra pollution: one extra piece of metal and paint and so forth that is unnecessary. Why have you not gone the route of many of the American states and many of the Canadian provinces and just done away with the front plate anyway?

Ms Jacobsen: At this point, at the request of the police we have not, because they feel very strongly, for enforcement pur-

poses, that they need to be able to see the plate if they are passing, particularly on the highway, in one direction. They are not always following but they are often coming from a different direction. We are, however, concerned in terms of the actual materials that our licence plates are made out of, and we may be looking into other ways, whether it is reduction in number or whether it is the actual materials that they are made of. But at this point the police feel very strongly about the need to have it.

The Chair: Have you had any studies actually done to find out whether it can be justified? It seems like an awful waste to the average person. I have had environmentalists, in fact constituents, come in and say: "Look, here's a way of saving money. Let's reduce the number of plates by one."

Ms Kelch: One thing I guess that is worth while adding to what the deputy has indicated is that in many of the American jurisdictions that have gone to one plate, there is very serious consideration in terms of going back to two for the enforcement reason.

In so much of the on-highway type of enforcement that takes place, it is very difficult to get behind the vehicle. Since the plate is the main identifier as to who owns that vehicle and where that person resides, there is a very strong view among the police community that in fact this should be done.

I think the deputy's point is very appropriate, though, in terms of indicating that in terms of size of plate and the particular materials that are used, the actual cost of that set of plates is very small. It is less than \$2.

Mr Kormos: It certainly is not labour cost.

Ms Kelch: That is true, it is not the labour cost.

The Chair: I would appreciate if you would send me any information you have on what you have done, what the issue is and how you have done it, because I get complaints from constituents who are concerned about it.

Ms Jacobsen: We would also be willing to raise it with our regular meetings with the OPP, because we have regular, ongoing meetings.

The Chair: Would you? And report back. I do not think that it is necessarily the committee's concern, but if you send it to me I will appreciate having the information and I will share it with the committee.

Ms Jacobsen: We will follow up on the pickup trucks also.

Mr Kormos: How many of those vehicles are uninsured?

Ms Kelch: We do not know. It is an enforcement issue. The police have their responsibility, as they are stopping drivers, to determine whether, in fact, all of the pieces of documentation are valid. They have not indicated to us the precise number that they find and we do not know what the actual number is.

Mr Kormos: You certainly have records about the number of convictions in any given year under the Compulsory Automobile Insurance Act. What do they reveal?

Ms Kelch: The number of convictions?

Mr Kormos: Yes.

Ms Kelch: I do not have those numbers with us. We could get you that.

Ms Jacobsen: But it is not alarming. It is not something compared to other things like driving under the influence. It is not of sufficient number that it has raised an alarm, but we would be happy to get back with it to you.

Mr Kormos: It seems to me that it would be if you were the victim of an uninsured driver and you had suffered the \$200,000 ceiling on payments under the motor vehicle accident claims fund. You would have some great concern then about the fact that that was an uninsured driver.

I am also interested in the count of convictions for uttering a forged document in terms of phoney pink slips. Are you familiar with or have you made investigations into the frequency of that occurrence?

Ms Kelch: The reason we have not is that, according to our legislative mandate today, which is the Highway Traffic Act, there is not the requirement to do the kinds of things that you indicate. With the government's major review of automobile insurance that is going on, there are a whole variety of things being investigated and reviewed, and some of the issues that you raise are part of that discussion.

Mr Kormos: Are you familiar at all with payouts under the motor vehicle accident claims fund, in view of the fact that you are involved by virtue of suspending drivers' licences until those moneys are paid back?

Ms Kelch: It is not our responsibility.

Mr Kormos: But you are involved in terms of the suspension of drivers' licences.

Ms Kelch: Correct.

Mr Kormos: So how many drivers' licences in Ontario are suspended now by virtue of payments under the motor vehicle accident claims fund?

Ms Jacobsen: We are not aware, but we can determine it.

Ms Kelch: I have that number but I do not have it with me.

Mr Kormos: I want to go back to those things, Mr Chairman. Your motor vehicle registration offices are being used as front-line monitors of the presence of insurance for any given motor vehicle, are they not?

Ms Kelch: On initial registration, yes.

1040

Mr Kormos: First of all, is there a statutory requirement that a person seeking motor vehicle registration provide a pink slip or a policy, proof of insurance?

Ms Kelch: No.

Mr Kormos: Does that not mean that a motor vehicle registration office would be required to provide plates, upon that person's, the applicant, complying with the requirements, which means filling out a policy number, the name of an insurance company, I believe, and signing it?

Ms Kelch: We have that requirement on our form today, yes.

Mr Kormos: And it is an offence to make a false statement.

Ms Kelch: Correct.

Mr Kormos: How many prosecutions have there been for false statements?

Ms Kelch: You asked me that question earlier. I do not know, but we can find that out.

Mr Kormos: No, I did not ask about false statements, I asked about no insurance.

Ms Kelch: I thought you asked about both. I do not have either of those numbers with me today, but we would be pleased to provide them.

Mr Kormos: That system is more than a couple of years old.

Ms Kelch: Yes.

Mr Kormos: Why are odometer readings required on transfer of a motor vehicle?

Ms Kelch: For a variety of reasons. Again, it is not the specific mandate of the Ministry of Transportation, it is a Ministry of Consumer and Commercial Relations interest, but it is another way for us to determine that in fact the information that has been given to us in terms of the other aspects of that motor vehicle is accurate. It gives us a sense as to how old that vehicle is, where it has been used, whether the safety standards certificate is valid.

Mr Kormos: And as I understand it, it lets the subsequent purchaser determine what the odometer readings were at owner 1 or owner 2 when that person does a registration search.

Ms Kelch: Correct, if he is interested in that.

Mr Kormos: But that is done on the honour system also.

Ms Kelch: Yes.

Mr Kormos: So there are no means of confirming that the odometer reading recorded on the motor vehicle transfer is accurate.

Ms Kelch: We have indicated on that form all of the information that the individual must complete on that form, that it is an offence for him in any way, in any box, to fill out the information other than in an accurate way.

Mr Kormos: I would be interested in knowing how many prosecutions there have been for inaccurate odometer readings because I will bet my boots that there have been no more than a handful.

Mr Ballinger: Don't bet your boots, Peter. Nobody wants them.

Mr Kormos: These are salt-worm.

Ms Kelch: There is not a legislated requirement for us to in fact collect that information. We collect it for other informational and informal purposes.

Mr Kormos: We have not been able to buy a Globe and Mail from an honour box since I was around 12 years old, so it has been a long time since that level of trust has been out there in the community, for either good or bad reason. How is it that the ministry can rely on the honour system for insurance coverage for a given vehicle? How can it justify having adopted that approach when that is the only monitor and the only control there is for a front-line assessment of whether or not a vehicle is insured?

Ms Jacobsen: I think there are some things that we go further than the honour system on, in such things as convictions and outstanding fines. I think the government's new automobile insurance package, combined with our new driver system, specifically will be looking at that: What are the things that we want to be very sure of in terms of the registration? I think we are also mindful of the numbers we are dealing with and to be selective about those things that are absolutely important, and insurance is one of those things.

Mr Kormos: I did not want to bring up the new auto insurance package, but I am interested in the fact that you did.

The Chair: Just because she did does not mean that you have to.

Mr Kormos: It is the oxymoronic motorist protection plan. What is there in that legislation that deals with the problem of uninsured vehicles being plated or validated?

Ms Kelch: To my knowledge there is nothing specific there, but I am not an expert on that piece of legislation. Our involvement with that piece of legislation has very much been on what kind of complementary activity should be taking place to assure ourselves that we have the safest possible highway system out there, and there is a whole variety of initiatives that we are working on and that we have put in place to try to deal with that.

Mr Kormos: You read the brochure. Murray Elston would be really proud of you. You have said more about that plan just now than he has in the last few months. It is incredible.

It is relatively easy for police officers to utilize the validation sticker to rapidly determine whether a vehicle is registered for the current year. It is similarly virtually impossible for a police officer to determine whether or not a motor vehicle is insured. If you rely solely on police enforcement of the Compulsory Automobile Insurance Act for insurance coverage on vehicles, how come there is no recognition of the fact that the same ease of detection does not exist for CAIA violations as it does for Highway Traffic Act violations vis-à-vis an improper validation tag?

Ms Jacobsen: As I said, in terms of our whole driver project we are looking at what we require and how we give out licences. Within that, we are looking at what the things are that really matter, and one of the things we are concerned about is insurance. We are trying to do two parallel projects with the Ministry of Financial Institutions, so there is that database, which I think over the next two to three years will rectify that.

Mr Kormos: It is true that the motor vehicle accident claims fund is contributed to by every licensed driver in the province by virtue of a levy or tariff off his or her driver's licence fees. So that is a broadly supported and highly subsidized program. Is that a fair comment?

Ms Jacobsen: Yes.

Mr Kormos: Is it also fair to suggest that if a police officer were able to take a valid sticker, colour coded green, yellow, black, orange, whatever colours they happen to be for that given month and that given year—would the ideal scenario not be one in which a police officer could look at that colour-coded sticker and, if it were valid, know not only that there was valid plating on the car but also that there was current insurance on the car?

Ms Kelch: Yes; you are quite right from a commonsense perspective. We have debates in many of our North American

environments where we meet on a regular basis with US jurisdictions that have similar types of challenges as we do on this insurance issue. In those jurisdictions where there is a major collection of insurance data, there continues to be a major challenge in terms of keeping it current.

The issue the Chair raised earlier—that is, there is no guarantee, if you tell me today that you have insurance, that it is valid for a specific period of time and has a specific type of coverage, that tomorrow that is necessarily going to be the case—in every jurisdiction in North America that continues to be a problem and there is no perfect solution. The jurisdictions that have tried specific coding in terms of saying, “We need to check on this every month,” have found that every month is not sufficient. Some jurisdictions have indicated that it is a legal liability on every individual to in fact keep those aspects and those data current. It still boils down to enforcement.

Mr Kormos: You talk about US jurisdictions. Did you compare notes with British Columbia?

Ms Kelch: Yes.

Mr Kormos: In British Columbia, when you get a plate under proper circumstances you also get insurance.

Mr Kelch: Correct.

Mr Kormos: Is that too commonsensical? That system is one wherein a plate, by and large, short of criminal conduct, indicates to a police officer observing a valid plate that there is insurance, subject to the plate's being on the wrong vehicle.

Ms Kelch: But there is a basic assumption you are applying there. The circumstance you describe is similar in Quebec.

Mr Kormos: Quite right.

Ms Kelch: It is that public insurance is the vehicle.

Mr Kormos: Sorry, I did not realize that about British Columbia and Quebec. So you mean in a public insurance system like Quebec's, where the Liberal government runs a public system, or in British Columbia, there is far greater certainty that a plated vehicle is also an insured vehicle.

Ms Kelch: There is no absolute certainty, because both of those insurance systems deal only with half of the insurance requirement, the public liability piece of the requirement, not the total package.

Mr Kormos: British Columbia has the basic property damage component.

Ms Kelch: Very basic.

Mr Kormos: That is why they have the Insurance Corp of British Columbia. But that is the minimum legal requirement, right?

Ms Kelch: Very basic.

Mr Kormos: It is the minimum legal requirement. The fact is, in those jurisdictions it is not an affront to common sense for a police officer to assume that a plated vehicle is an insured vehicle that complies with the minimum insurance requirements.

Ms Kelch: In terms of what is required under government insurance in that jurisdiction, yes.

Mr Kormos: In terms of what is required by the government here in the province of Ontario, we have a minimum coverage of \$200,000, do we not?

Ms Kelch: Yes, for a private vehicle. It is higher for a commercial vehicle.

Mr Kormos: And the presence of a valid plate on the back of a vehicle in no way suggests to a police officer that the vehicle is similarly insured for the minimum of \$200,000, does it?

1050

Ms Kelch: In most of the circumstances, yes, because most of the people are honest and in fact do have insurance.

Mr Kormos: If most people were honest we would not need police officers, we would not need courts and we would not have to jiggle the front of that newspaper box back and forth.

Mr Pouliot: Or public accounts committees.

Mr Kormos: That is specifically why I asked you what the figures are with respect to convictions under the Compulsory Automobile Insurance Act, what the figures are with respect to convictions for making false statements, what the figures are with respect to the incidence of uttering forged documents convictions and Criminal Code convictions for phoney pink slips. Now, come on. The fact is that there is absolutely no system in effect whereby the registry office for motor vehicle registration even confirms current valid insurance at that point in time, is there?

Ms Kelch: When you take your renewal or brand-new registration request or requirement to the counter, you are asked to produce the pink slip.

Mr Kormos: And you are not required to because, as you told us before, the registry office, by virtue of statute, is compelled to comply with statute and the only compulsion an applicant is under is to fill in the little square boxes on the application. Is that not correct?

Ms Kelch: That is the current legal requirement, but the procedural requirement is to ask for proof.

Mr Kormos: And if the person produces a 30-day binder, which is the pink slip typed up by the insurance broker, that is acceptable, is it not?

Ms Kelch: Today?

Mr Kormos: Yes.

Ms Kelch: Yes.

Mr Kormos: And it has been acceptable last year and the year before.

Ms Kelch: Yes.

Mr Kormos: That 30-day binder does not even confirm that a policy has in fact been issued, does it?

Ms Kelch: Again, I do not know all the ins and outs of the insurance industry, so I cannot comment.

Mr Kormos: But you get a 30-day binder slip from your broker the minute you walk in there and he or she fills out the application for a policy. Your people in the registry office will also accept a pink slip that appears to be valid but which may be cancelled any day now by virtue of nonpayment.

Ms Kelch: That is a risk.

Ms Jacobsen: I think we have said that we, like you, are concerned in terms of the insurance issues and some of the other documents, that we are going through a brand-new driver system that we are going to be introducing over the next two to three years. Insurance is one of the things we would like a higher—

Mr Kormos: I appreciate your saying that.

Ms Jacobsen: Once we have the technology to process it.

Mr Kormos: The final scenario is one where your motor vehicle registry office staff do not even have the authority or the power to determine whether a pink slip is a forgery or a valid one, do they?

Ms Kelch: Not today, no.

Mr Kormos: Now, you talk about a program over the next two to three years. I suggest to you that the incidence of uninsured drivers on the highways should be of paramount importance, if only by virtue of the fact that the motor vehicle accident claims fund has a \$200,000 ceiling. Do you not think it is of paramount importance?

Ms Jacobsen: Yes, but I think what we do need to do is find out ways to find that information, because even if you required total, living and final proof of the day that people registered, it is still only true for that moment. Therefore, what we need are better mechanisms for cancellation of insurance so that there is some kind of automatic notification.

Mr Kormos: What are the options being considered?

Ms Jacobsen: What we are looking at is a whole new driver information identity system that will give us the capacity in terms of looking at whether people have insurance, whether it is cancelled or not, whether they have convictions and fines. And it is a much more automated system than the current one.

Mr Kormos: What would the implementation time be for that?

Ms Jacobsen: Two to three years in total, but there is no reason why you could not get to the point where you have a card that an officer could pass through a system that tells him automatically whether this card is valid, whether the person holds valid insurance or has outstanding fines and convictions.

Mr Kormos: What would the implementation time be for that portion of the program?

Ms Jacobsen: I would say you would have a fairly long development time, but it would be implementable within three years.

Mr Kormos: But has the seed even been planted? Has this program been started?

Ms Jacobsen: Yes, we have done the systems development in terms of the outline and we are taking it forward in terms of approval.

The Chair: I wonder whether it would be possible for you to provide to us in writing a complete outline of your three-year program, what you intend to do when, so that we might have that in front of us, because we may want to recall you and question you on the specifics of that three-year program.

Ms Jacobsen: Yes, we can.

The Chair: Can we have that in the next week or two?

Ms Jacobsen: Two weeks?

Mr Pouliot: It is pretty hard; they are pretty busy with the backlog, whatever the subject matter being addressed.

Mr Kormos: The chair having requested what he did, I will leave that. I tell you, I think everybody here cannot understand how there could have been, at least in my view, such a lax response to that whole scenario.

The Chair: Thank you, Mr Kormos. There are some other people on my list. Are you finished?

Mr Kormos: Yes.

Ms Poole: Mr Kormos has actually covered most of what I wanted to ask. There is one thing I did want to get a clarification of. We understand that the Compulsory Automobile Insurance Act does not require the registrar of motor vehicles to record or verify the certificate of insurance. While I understand that this is not your particular legislation, I would think it would be fairly simple to have a regulatory change and allow that inspection of a certificate to happen. This would, I think, at least weed out some of the problems of people who do not even have a valid policy number and valid insurance at the time they make their application.

You have mentioned that you have been talking with the Ministry of Financial Institutions. Have you set any target date by which regulatory changes could be made to the legislation to at least allow a preliminary investigation by the registrar or his or her agents of the insurance certificates?

Ms Jacobsen: We have not set a preliminary date because at this point we are not sure whether we could do it, whether we necessarily need a legislative change, a regulatory change or whether there is an administrative practice that could get that same level of security of knowledge, and whether or not the issue is on first registration or whether what we need to do is have a better assessment in terms of whether the issue is on initial registration or something that is more prevalent in terms of renewals. So what we are looking at is whether we need a legislative change, whether we need an administrative way and the magnitude of the problem in terms of people driving without insurance.

Ms Poole: Have you had any confirmation from the Ministry of Financial Institutions as to the process and whether it thinks it would be by regulation or by legislation? If the legislation currently says that drivers must be validly insured, I would be very surprised that it could not just say in the regulation that the method of carrying out the legislation would be through the registrar and that it would have the right to inspect. It would seem to me it is just a logical first step that could be in place within three months, if the will is there to do it.

When you are developing the computer system and the capacity, then we could deal with the larger problem of those who are actually out to defraud, those who have a valid certificate at the time they renew their vehicle licences but who, however, deliberately defraud and cancel or do not renew that policy.

Ms Jacobsen: It is a different issue; yes. That is an enforcement issue and a broader one. We are right in the middle of discussions with the Ministry of Financial Institutions. I would be happy to report back to you and the committee as part of this

report in terms of our driver project and our discussions with the ministry in terms of the insurance.

Ms Poole: It would be very helpful if that could be included when they report back as to the viability of making a simple regulatory change and at least get that on track, and let the long-term process be developed properly and take the proper time to make that first important step.

Mr McCague: I read in the paper a while ago that the government was going to give the insurance companies \$143 million. When they do that, would it be too much to expect in return that there be a hookup so that you, the ministry, would know immediately when somebody's insurance had expired?

1100

Ms Jacobsen: That is exactly the kind of discussion we are having with Financial Institutions and with the industries, to find ways where, automatically there is some kind of notification.

Mr McCague: Maybe you can find a cheaper way of doing it.

The Chair: Was that your questioning?

Mr McCague: Yes. Thanks.

Mr Pouliot: So you are talking to other ministries. It is certainly a poor way to build an empire, but it is a step in the right direction. I want to go back to C-5, concerned about more than 1,000 instances since 1987 where multiple driver licence numbers were detected by either your ministry or by the police. I mean, those are the people who got caught. Have you any indication as to what is out there?

Ms Jacobsen: I guess, as part of the police and our system, we are conscious in terms of trying to monitor any efforts in terms of fraud. It would be impossible to identify the breadth of what is out there, other than the ways we are doing it in terms of enforcement. On the other hand, the new system that has a photograph in terms of driver identification has certainly meant that we have fewer problems in misrepresenting themselves than we have had before.

Mr Pouliot: How long have you been doing your job?

Ms Jacobsen: Personally?

Mr Pouliot: Yes, if I may ask.

Ms Jacobsen: Six months.

Mr Pouliot: Can I ask you that?

Ms Jacobsen: Sure. Six months.

Mr Pouliot: Oh, six months? Okay. You have been with the ministry for a long time. The reason why I am asking is that, you see, if I am the enforcement at one of the borders, for instance—and I hope the analogy has some validity—and I am concerned with drugs, we catch so much, and there is all kinds of data, all kinds of educated gut feeling that tells me, "Well, look, maybe we catch one in 300," there is a certain base there. Since 1987 more than 1,000 individuals have been apprehended by your ministry or by the police. Do you think you were catching one out of 10? One out of 15? One out of 20? The reason I am concerned is that you have no mechanism. You admit this in your response to the ministry, that it is not possible to monitor any compliance because the present system will not allow it.

Ms Kelch: I think what is more important is the kinds or processes that we have in place to keep this to an absolute minimum, and they include the requirement at all of our counters to ensure that we are getting the most secure identification possible when people are coming in either to be licensed for the first time or to obtain a renewal. There is a whole variety of types of identification that individuals attempt to use, and we often have rather angry members of the public when we will not accept them, because we do indicate and stress to those members of the public that we want pieces of identification, preferably that have a photograph on them, preferably that have a signature on them—

Mr Pouliot: Preferably?

Ms Kelch: —and preferably that are recorded somewhere else so that there is the ability for us to check that this individual does in fact exist and that this is the correct address. People get quite annoyed when they do not have those pieces of identification and we therefore make it very difficult for them to be licensed in this province.

Mr Pouliot: It must have been very difficult for one real one. When you say "preferably," that has as much clout, with respect, as Mickey Mouse; preferably, if I happen to have it. It is not compulsory, not mandatory. If I happen to have it, if my name is Joseph Cordiano and I get a name change to Joseph E. or I file an application as Joseph E. Cordiano, I may get my licence. This is how they get them.

In one case, if I may, one individual had three licence numbers and he had 11 impaired convictions—not five, not 10. He had three different valid licences, so "preferably" should have been "mandatory." In other words, if I come to you and you say, "Mr Pouliot, do you have identification with a photograph?" and I do not have any, then you waive the preferably.

Ms Jacobsen: The dilemma with the "preferably" is that in most instances new drivers are young people, and in most instances this is their first formal identification. Therefore, in working with young people coming into our system, what you are looking for is something that gives you an assurance, and they are the bulk of the new registrants. In many cases their driver's licence becomes their identification for other areas, and it is often before they have more formal types of identification.

Mr Pouliot: What is wrong with a birth certificate, to begin with?

Ms Kelch: It is the first requirement.

Ms Jacobsen: But there is no photograph on it.

Ms Kelch: You need more than one. You cannot get a licence in this province with one piece of identification.

Mr Pouliot: You want the photograph of the original document. If I may, I am quite interested in treasury bills, and I am wondering what—

The Chair: I want to introduce you to my campaign manager. I am running for Speaker.

Mr Pouliot: This is an appalling and shocking statistic. Unfortunately, it is true: 260,000 drivers with outstanding fines. That is 31 January 1989, so everyone's memory is very, very fresh. Outstanding fines valued at more than \$16 million. Imagine what that does with the current rate of treasury bills if you were to roll them over. It may be farcical for some. I, too, would laugh, would share, if I were not devastated as a tax-

payer. Then there is the contravention of—oh, my God, no. The Highway Traffic Act states that the registrar shall not reinstate any driver's licence suspended for an unpaid fine until all outstanding fines have been paid. People are breaking the law.

Ms Kelch: I beg your pardon?

Mr Pouliot: People are breaking the law. It says here that 260,000 drivers—that is an awful lot, even given the six million licences that are out there, most of them valid. The province is shortchanged by \$16 million, and there is the daily interest on it. We are all aware of the cost of money. Time is money. What is your ministry doing to monitor this?

Ms Kelch: I guess we are doing a variety of things. You are quite right; we are concerned with the scale of the dollars that we are talking about, which is why in the Highway Traffic Act we have the ability to suspend someone's driving privilege for not paying his or her due. That is why that ability is there.

Mr Pouliot: How many have been suspended for not paying? Would you know offhand?

Ms Kelch: Pam, do you have that?

Mr Pouliot: Percentage-wise. Is it everyone?

Ms Kelch: Oh, no. You mean do we suspend for not paying? Yes.

Mr Pouliot: If you default, okay.

Ms Kelch: If you do not pay your fine for a moving violation in this province, yes, you will have your licence suspended. That is a certainty.

Mr Pouliot: Of the 260,000 drivers—in French we say “récidiver”—177,000 drivers have more than one outstanding fine, totalling \$10.5 million. We are not going to talk about the honour system here, are we?

Mr Adams: Gilles, what do you say in French?

Mr Pouliot: “Récidiver.” Is it the same thing in English?

Mr Adams: Okay. I am sorry. I just did not hear what you said.

Ms Kelch: We have a major co-ordinating effort with the Ministry of the Attorney General. The convictions and the infractions are recorded with the ministry through the court system and we require information to come to the registrar in the ministry before we take action of a suspension nature. Yes, we are working at streamlining that process so that we get the information as quickly as possible, and that is under way.

Mr Cordiano: On a point of clarification more than anything else: “Outstanding fines” refers to being in excess of a certain period of time in which you are legally required to pay your fine.

Ms Kelch: Yes.

Ms Jacobsen: For moving violations.

1110

Ms Kelch: Yes, when you receive the conviction, and if you decide to pay it out of court, if that is what you decide to do, then there is a certain time limit on the Provincial Offences Act ticket.

If you go to court, there is also a specified time given to you by the court within which you must pay that fine. If you do not

meet that requirement, then we, the Ministry of Transportation, receive a notification from the Attorney General indicating you are in default.

Mr Cordiano: And there are 177,000 drivers who are in that kind of situation at the present time?

Ms Kelch: I do not know what today's figure is.

Mr Cordiano: That was the figure used by my colleague Mr Pouliot.

Ms Kelch: I do not know where that number comes from.

Ms Jacobsen: From the time of the audit, which was what, in 1987?

Ms Kelch: The 31 January 1989 figure that the auditor uses is 260,000.

Mr Cordiano: So it is 260,000.

Ms Kelch: Yes.

The Chair: Mr Kormos on this same topic, and then we can move on.

Mr Kormos: I have saved up a couple of supplementaries because I did not want to interject, but 260,000 is a pretty hefty percentage of some five or six million drivers.

Ms Kelch: Six million.

Mr Kormos: When one looks at it from a percentage point of view, it is considerable.

I want to talk a little bit about outstanding fines for just a moment. I am sure you are aware of the procedure whereby a person is notified by the ministry that his or her driver's licence is suspended. They get a letter in the mail, a computer printout. It identifies that they have been suspended and it gives them a number in Toronto to call for information.

Ms Jacobsen: Yes.

Mr Kormos: If those persons are finally able to get through to that number, from whatever part of Ontario, if they are finally able to get something other than a busy signal, they receive confirmation that their licence is suspended but they do not get any advice as to what jurisdiction has the conviction, which means that people are sent on proverbial wild goose chases and it could be the \$18.75—it is not that any more.

Mr Pouliot: It is \$45.

Mr Kormos: The price of poker went up recently.

Mr Pouliot: Yes, I'll say.

Mr Kormos: It could be that relatively modest speeding ticket that you got up north on your summer vacation that is doing it to you. You go to your local provincial court office. The staff there, who are very busy—because the AG is only hiring people on contract and not hiring employees as he ought to—and are inevitably overworked, will take time out of their valuable schedules, do a physical search for you in that provincial court office and say, “No, there's nothing for you here,” and you are left just flapping, waving in the wind. Surely some attention could be given, and surely some of those outstanding fines are the result of the poor database from which a person who is notified that he or she is suspended can get advice as to how to deal with that.

Ms Jacobsen: You are aware that we have an agreement across Canada and across many of the states that we share. A conviction in one jurisdiction can lead to the other.

Mr Kormos: Reciprocal enforcement, that is right.

Ms Jacobsen: Margaret, do you want to deal with the specifics?

Ms Kelch: Yes.

Mr Kormos: I was talking about inside Ontario.

Ms Kelch: Yes, and I understand the circumstance you have described, but the philosophy that we use, and I believe it to be a sound one, is that this is a conviction which that individual has himself or herself in fact been the direct recipient of. They are direct participants in this activity. The fact that they have forgotten where the speeding ticket was or where the Criminal Code conviction was I do not believe to be our responsibility.

Mr Kormos: But you have \$16 million of uncollected money that, as Mr Pouliot says, is worth at least 11.25 per cent on the market right now.

Ms Kelch: A very small proportion of that is because someone has forgotten where the fine took place.

Mr Kormos: I am not saying the responsibility cannot be removed for them. I am saying that people, because of human nature, get frustrated and say, "Look, I've done my best effort."

I move on to something else. You were asked about opportunities that there are to screen and detect shortcomings in the registration process, in the insurance process, in the driver licensing process. What sharing of the ministry's database regarding motor vehicle registration is done with the United States jurisdictions for use at border crossings?

Ms Kelch: At this time, none. We do not have the legal authority to do so. We now just have legal authority, through the most recent Highway Traffic Act amendments, to enter into reciprocal agreements on a state-provincial basis to share data.

Mr Kormos: From where would American jurisdictions have obtained a database consisting of Ontario licence plate numbers?

Ms Kelch: I do not know.

Mr Kormos: Are you saying that if they do have that database, it has been illegally obtained by them?

Ms Kelch: I cannot comment because I do not know how they got it.

Mr Kormos: Well, no. I am asking you, is there any legal authority for a ministry within Ontario to share its vehicle registration database? I am speaking specifically about licence plate numbers, the six-digit number. Is there any legal authority to share that with American jurisdictions?

Ms Kelch: The licence plate numbers? What is the full range of the licence plate figures that we have in fact issued? Is that what you are asking me?

Mr Kormos: WXY 826, what have you.

Ms Kelch: I do not think that is a problem. What you asked me before was driver-related information.

Mr Kormos: Yes. I am asking you, do we share licence plate numbers with other jurisdictions?

Ms Kelch: And my answer to you is no, we do not today.

Mr Kormos: Today. Have we in the recent past?

Ms Kelch: No.

Mr Kormos: Okay. So I am asking you, if an American jurisdiction has that database, that is to say, licence plate numbers and the corresponding names, is it illegally obtained?

Ms Kelch: I do not now how they would have it.

Mr Curling: Mr Chairman, on a point of order.

Mr Ballinger: How do we even know they have it?

Mr Curling: How can the deputy answer that information received by Americans is illegally obtained? The deputy is not in a position to respond to that.

The Chair: It is not a point of order. It is the matter under discussion.

Mr Curling: Whatever the point is—

The Chair: I am sorry. It is not a point of order. I am ruling that it is not a point of order. It is a matter of security that was raised by the auditor, and indeed when Mr Kormos asked the question, the auditor indicated that it was a very interesting question. So I am asking that it be responded to.

Ms Jacobsen: There is no way that they could access that directly.

Mr Curling: Mr Chairman, let me—

The Chair: If you wish to challenge the chair, do so.

Mr Ballinger: Oh, relax, Ed.

Mr Curling: I am just trying to get an explanation.

Mr Ballinger: It is not the Peter Kormos show. Just relax.

Mr Pouliot: No, no, no. He is following what the Provincial Auditor has said, that the confidentiality is not there.

Mr Curling: I am not challenging the chair.

Mr Pouliot: Stop shackling people, Alvin.

Mr Curling: I am not.

Mr Pouliot: It addresses the meat of the auditor's report.

The Chair: What is your concern, Mr Curling?

Interjection.

Mr Curling: Could we get some order into this meeting?

The Chair: If Mr Ballinger will be quiet enough, then I can listen to what your concern is. What is your concern?

Mr Curling: I expressed my concern. I am saying that Mr Kormos is asking the assistant deputy minister whether the information received by the people from the United States is illegally obtained. The assistant deputy minister has addressed the concern that says that her ministry does not give information of that nature. I am asking you, how can the ministry respond whether or not the Americans got this information illegally?

The Chair: Why do you not let the ministry answer that question?

Mr Curling: I am saying it is an unfair question.

The Chair: If the deputy minister feels that it is an unfair question, I am sure she is perfectly capable of deciding that and responding.

Mr Pouliot: Do not worry. They will protect the government at all costs.

Mr Ballinger: That is a pile of bunk, Gilles, a comment like that.

The Chair: I do not appreciate that comment.

Mr Ballinger: Neither do I, Mr Chairman. I absolutely do not appreciate that at all.

The Chair: I am agreeing with you, Mr Ballinger.

Mr McCague: Do you share the information that Mr Kormos is asking about with the Solicitor General? Does the SG know who owns such and such a licence plate?

Ms Kelch: What they have is, through the police automated system, as well as our own, a police officer can access the file if the police have the plate number, but he cannot access the file and ask for all of the plate numbers and names for a particular community without a rationale to do that. On an individual enforcement basis, yes, they have the ability to access.

Mr McCague: I guess the next question is then, is it possible that the kind of information Mr Kormos claims the US authorities may have—would it have been possible for them to get that through the police?

Ms Kelch: They would have to get it on a one-by-one incident basis where a police officer would access for particular inquiry purposes—600 or 700, I do not know.

Ms Jacobsen: Several million vehicles.

Ms Kelch: I have forgotten the number that was referred to earlier.

Ms Jacobsen: If Mr Kormos has a particular concern that he is concerned about, we would be happy to work with him if he could give the example of what it is. There is not a way that they could automatically access our data bank, and if there is such a situation, we would be as concerned about it as you are.

1120

The Chair: I think the auditor is also concerned and he wishes to answer your question.

Mr Otterman: Following the deputy's comments, that is why I commented to the chairman that this was an interesting question, because we are satisfied with the computer security controls that would preclude unauthorized access to this data. So if it has happened then we missed something.

Ms Jacobsen: I think it could be asked the other way of "why aren't we?" and we are very firm about that.

Mr Kormos: I should be clear, and I am not asking about, what do they call them, hackers and people like that who break into your database. I am talking about whether or not the ministry shares that database, that is to say, by virtue of producing the information and providing that to other jurisdictions. You indicated the Solicitor General.

Ms Jacobsen: No, on an incident basis for enforcement purposes we will confirm, vehicle by vehicle, with enforcement

agents. If there is any question of our database being out there, then we would like to know.

Mr Curling: Point of clarification: You said that you are satisfied about the security system in the computer process there.

Mr Otterman: Yes. Based on our audit, we were satisfied that the normal security controls that you would expect to find over that database were in place and operating as planned. So we were satisfied. That is for unauthorized access.

Mr Curling: Yes. So you are saying then that there is no way, from your investigation, that the American system could access this system from the information you have. You are satisfied.

Mr Otterman: I do not want to give 100 per cent assurance, but from our review and the tests that we did, we concluded that this system was secure.

Ms Jacobsen: Any evidence to the contrary, then we would very much like to know about it.

Mr Curling: On a matter of clarification further, the deputy is saying that there is no way that they share that information, unless they are one to one. So that is it.

Now my question is back to them: How can we expect the ministry to respond to that question, "Did the Americans obtain this information legally or illegally"?

The Chair: Mr Kormos's line of questioning was, "Is there a legal way of obtaining it? Are you providing it in some way?" The deputy said, "No."

He then said—and it is simply an opinion from the deputy minister—"Can you think of any other way in which they could get it, other than an illegal way?" That seemed to me to be a logical opinion to ask of the deputy minister, and the deputy minister would provide only an opinion, obviously. She obviously was unaware that the American officials did have this information, and she said that she would look into it. The Provincial Auditor and she have both expressed some interest. I guess that between them, and with any additional information Mr Kormos may be able to supply to the deputy minister then, we will hear back in the fullness of time. I would like to leave that issue.

Mr Cordiano: Is there something on which you are basing that, just out of curiosity?

Mr Kormos: I was asking that question of these people because I have concerns about—

Mr Cordiano: The Americans in particular.

Mr Kormos: Well, we do not border on anybody else.

Mr Cordiano: Well, other provinces, I think—

Ms Jacobsen: They do not have access either.

Mr Cordiano: They do not have access, so it could be other provinces.

Ms Jacobsen: That was more hypothetical in terms of what our security is.

The Chair: I think the issue has been satisfied.

Mr Kormos: Very briefly, we talked a little bit about odometer readings and the need for recording them in transferring a vehicle. You are undoubtedly aware of the importance of

a consumer being able to do a motor vehicle registry search. What is the delivery time of that data, once an application has been submitted?

Ms Kelch: For a vehicle search?

Mr Kormos: An ownership search, yes, history of ownership.

Ms Kelch: I would like to ask Pam, since she is the principal operating officer, to answer that question.

Ms Bryant: I do not have that information with me. We share some responsibility with the Ministry of Consumer and Commercial Relations on that. I can get the information for you, but I do not have it with me.

Mr Kormos: Please. The reason I ask is that, as you know, cars are incredibly expensive. They are a major investment on the part of virtually every person in the province. When purchasing a used car, unfortunately, not enough people do take advantage of the history of the vehicle, because they can avoid being dinged by the curb dealer, by the rare fraudulent car dealer who would pass a car off as a one-owner-only when it has had several owners, who would pass a car off as a privately owned car when indeed it was a fleet vehicle and so on.

Also in terms of odometer rollbacks, which should be and, I believe, are of great significance to the government, it is important that this information be accessible speedily, and not just in Toronto but across the province, because decisions about whether or not to purchase a car are made in the course of 12 hours, not in the course of six or seven days. I am interested in that. Obviously, inferentially you can conclude that I have had some difficulties with the speed by which that is done.

I would go one further and ask why the delivery of that information could not be incorporated into the Personal Property Security Act searches that are done via telephone and confirmed subsequently by certified copy out of registry offices.

Ms Kelch: That is something we are looking at. The relationship with the Ministry of Consumer and Commercial Relations is one that is under active investigation. We have a whole variety of issues and that is one that we are hoping, from a customer service point of view, we can make some improvement on.

Mr Kormos: Obviously the same person who is going to do a vehicle search should be doing a PPSA search on the vehicle in any event. For the two to be combined would seem to be very simple, very speedy and great service to consumers of used vehicles.

Ms Jacobsen: There is an active look being taken by the two ministries at how we could make the best of the two systems and make it faster.

Mr Kormos: Perhaps when you let us know about the current time lag in various places in the province you could let us know about the prospects for this integrated system and when we can expect to see that in place so that the community can know.

The Chair: I think it would be useful also to the committee if you would just take five typical transactions perhaps, five people who go in and record their odometer on that card when they are getting their plates, and tell us exactly what stages that information goes through, how it is processed and what the average time lag is in processing it, to the best of your

knowledge. If someone walked into the—is it the Mowat or the Macdonald Block?

Interjection: Ferguson.

The Chair: Anyway, wherever I paid my \$180 two weeks ago because I happen to live in Toronto and recorded the odometers on my wife's car and my car. Tell me what the processes are and where that information goes.

Ms Kelch: I am not sure I understand your question. Are you asking us, from the point of view of all the information that goes on your vehicle registration form, what happens to that information?

The Chair: No. I am just asking what happens to the odometer information. Where does it go, how is it used and what is the time lag in transferring that information? I think that would be useful for Mr Kormos's concern.

Ms Jacobsen: What you are looking for, as I understand it, is not just the bulk; it is an average, either two hours or two months. What you are looking for is a transaction.

The Chair: What is the transaction? Where does it go? How is it transferred to the Ministry of Consumer and Commercial Relations? Where is it recorded there? That kind of thing.

Mr Kormos: And the difference between making a request for a North Bay vehicle as compared to a Toronto vehicle.

Ms Jacobsen: Which would differ because of the volume of transactions in the urban areas.

Ms Kelch: Is that the only piece of information?

The Chair: That is what I want. Thank you. Any further questions on this item?

Mr McCague: Hopefully fairly quickly. You tell me that the information that you have regarding a driver—do you go by the licence plate or the driver's licence number?

Ms Jacobsen: Both; two different systems.

Mr McCague: You tell me that that information is available to the police at any time.

Ms Jacobsen: Not in bulk. They could not get a printout of it all. If, however, an officer is looking for the identification of a vehicle and has only the plate, we would share the identification of the vehicle and the owner.

Mr McCague: The driver. Okay. So a driver is stopped, and the police have CPIC.

Ms Jacobsen: Yes.

Mr McCague: And then they also have your records. They can access both those.

Mr Kelch: Not the full record.

Ms Bryant: They access our system through CPIC. There is not a direct officer into our database.

Mr McCague: If somebody were to be charged for something, would that appear in your records?

Ms Kelch: No, but it appears on the criminal record.

Mr McCague: It does not appear—

Ms Kelch: On our record.

Mr McCague: So a wanted person would not appear on your record.

1130

Ms Kelch: But if the police stop an individual and want to know the status of that individual, if he is wanted for a criminal deed, that we will show to them.

Mr McCague: On CPIC or on your record?

Ms Kelch: On CPIC. But I could not, as registrar of motor vehicles in Ontario, find out that information.

Mr McCague: So you do not record any of that information.

Ms Kelch: No.

Mr McCague: Just speeding and parking tickets.

Ms Kelch: What we record are the Criminal Code infractions that are driving-related: drinking and driving, leaving the scene of the accident and, there is one other. There are three. Those are the Criminal Code traffic-related items that we record.

Mr McCague: I think I will have to drop the line because of the connection with CPIC and maybe ask the deputy quietly to help me on this one, a chap who has the same name and the same birth date, the same age, who gets continually picked up by the OPP. I cannot get over it. You should read it.

The Chair: Final question, Mr Kormos, and then I am going to move on.

Mr Kormos: Supplementary to that, does CPIC access vehicle registration information piecemeal, one at a time? The database then is shared with CPIC in toto; is that not correct?

Ms Kelch: No. It is all vehicle- and driver-driven.

Mr Kormos: Yes, but when my police officer CPICs me and my licence plate number, he gets my record of criminal convictions back from CPIC from Ottawa.

Ms Kelch: No, I do not believe he gets a record; he gets a status.

Mr Kormos: My criminal convictions, whether I am wanted or not and, trust me, whether I have a record and whether I am considered violent or what have you.

Ms Kelch: Dangerous or whatever.

Mr Kormos: Then he also finds out who is the registered owner of the vehicle that I am in.

Ms Kelch: Correct.

Mr Kormos: He gets that information from CPIC.

Ms Kelch: But it is through our database.

Mr Kormos: Yes; but does CPIC access your database piecemeal each time that a request is made?

Ms Kelch: Yes.

Mr Kormos: So your database is working 24 hours a day.

Ms Kelch: Yes, it is. Seven days a week.

Mr Kormos: Does CPIC have access to printout, let's say, a carte blanche, in toto, if it sought it, of licence plate numbers and owners?

Ms Kelch: No; they would have to come and make a particular request for a particular purpose.

Mr Kormos: All right. Do you restrict CPIC as to what it can do with its access to your database?

Ms Kelch: They can only access for specific purposes.

Mr Kormos: Are those purposes listed or enumerated?

Ms Kelch: Yes; they are law enforcement purposes.

Mr Kormos: They are articulated?

Ms Kelch: Yes.

Mr Kormos: Motor vehicle records, Highway Traffic Act records—I realize this is a part of driver licensing, not vehicle registration—basically expire in how long? Three years' time?

Ms Kelch: It is not the record that expires; it is the demerit point system. The points stay on your driver record for three years. The public record that you can obtain of your driving record is three years long.

Mr Kormos: What that means, though, is that if you have a record of an impaired driving conviction, it disappears off that printout three years hence.

Ms Kelch: No. For Criminal Code purposes, it is a five-year record.

Mr Kormos: Okay. I am sorry; five years hence. In view of the fact that that may be appropriate for not having a licence plate light, can we not distinguish between a Criminal Code offence and the fact that the Criminal Code record—you are not carving demerit points; they are there for the record, and the fact is that many police forces and provincial court crown attorneys, for instance, rely on Highway Traffic Act records. Would it not be a valid consideration to extend the period of time that Criminal Code convictions are maintained on HTA records, in view of the fact—you may say, "That's their problem,"—that from a practical point of view they are accessed readily and used by police forces and crown attorneys in the course of prosecutions? Why would you maintain a five-year period for deleting an impaired-driving, over-80 or a refuse-to-blow from an HTA record?

Ms Kelch: It is not so much a matter of deleting.

Mr Kormos: I know what you are saying—but from printing it.

Ms Kelch: It is a matter of active use; that is right. I think the principle that we have in place is the same basis as the demerit point system: How long do you continue to pay for a wrong? The national approach, both from an enforcement community point of view and from a highway safety point of view, is that those Criminal Code infractions should stay there for five years.

Mr Kormos: Mr Philip talked about the greater Toronto area and the surcharge that is levied against motor vehicle registrations in the GTA. Does that mean that a rich Torontonian who owned a summer cottage in an area outside of the GTA could register his motor vehicle there and avoid contributing to this levy for the GTA?

Ms Jacobsen: Well, if that is where your principal residence is. You would have to do more than go there for your renewal. You would have to have your licence in your principal residence.

Mr Kormos: Well, sure. What if it was the proverbial cottage, the A-frame Viceroy, or post-Viceroy?

Ms Jacobsen: If that is what you want to use as your mailing address and as your principal residence, there is no requirement that you would have to—

Mr McCague: That does not help.

Mr Kormos: Is there any assessment or evaluation of the number of rich Torontonians who might be using that ruse to avoid paying their fair share?

Mr Pouliot: This is getting a little ridiculous.

Mr Ballinger: Mr Chairman, on a point of order: Mr Kormos is trying to say that everybody is a crook.

Mr Kormos: Poor Torontonians do not own cottages, A-frames, post-Viceroy or not.

Mr Cordiano: On a point of order: To tell you quite frankly, I am getting a little unnerved here, because the problem here is that we are asking a lot of questions that you could put in writing or you could ask the ministry at any other time. I do not think we need to take up the time of the committee to go with this sort of bit-by-bit questioning. I do not think that has to do very much with what is in the auditor's report. I do not mind if you ask that kind of question, but I am just saying that we going about aimlessly here and I do not think we have followed the agenda that has been laid out.

Mr Kormos: Mr Chairman, a point of order: I resent the use of the word "aimless." I have been very studied and careful in my questioning.

Mr Cordiano: I do not mean this personally. I am just saying that we can ask a lot of interesting questions of the ministry, but with all due respect, I think we have to follow what is in the auditor's report.

Mr Pouliot: Can we see your driver's licence?

Mr Cordiano: No, you cannot.

The Chair: The line of questioning related to the registration and whether some people can slip in and out of the system. Therefore, the—

Mr Cordiano: With respect, he was asking about—

The Chair: If you are not going to listen to my explanation—I have listened to yours.

Mr Cordiano: Look, I had the floor and I was asking, with your respect, if I may put forward my point of view. It is the second time that we are talking about whether something is appropriate or not. I think we have allowed a great deal of latitude in terms of the kinds of questions. I would like to stick to the agenda a little more. I am not saying that that is necessarily what we have not been doing. I am just saying that a lot of questions that we are putting forward here can be certainly answered at another point in time. I am not sure who is on the list for questions. There may not be anyone.

Mr Curling: Kormos, Kormos, Kormos, Kormos.

Mr Cordiano: Just a minute. What I am suggesting here is that there are lots of things that we are asking that are not really to the point. If someone is outside of the GTA, has a cottage and is in the scenario that you put forward, he is going beyond

what I think is authorized, what is legitimate, but I do not think those are necessarily appropriate questions.

Mr Kormos: Anybody can go out there, but you can forge the documents. Let's find out how often it is happening. That is what this is all about: value for dollar.

Mr Cordiano: I do not think that is what this is about. I think that, sure, there are matters in here that people are directly violating the procedures and rules that have been set out, but I think there are so many different ways in which violations take place. I do not think it is necessarily pointing to a glitch or a fault in the system, but I think that is what we are here to discover. Where there is certainly evidence or suggestion that there is a problem, a breakdown in the system, I think that is where we need to point to.

Mr Kormos: That is where we getting to. We are getting to the fact that people can avoid their contribution to the GTA.

Come on, now. The government seemed to think that was an important function, for members of the GTA to pay that levy, and I am concerned about how readily a party can avoid his or her obligation to the government-imposed GTA levy by virtue of using a summer cottage.

Mr Cordiano: Then someone would have to break the law, right?

1140

Mr Kormos: Well, people break the law when they forge insurance slips. People break the law when they sign a certificate saying they have insurance when they do not. People break the law when they use a second driver's licence.

The Chair: This is not getting anywhere. We are here to question the deputy minister, not to have an argument back and forth. If you want to have an argument back and forth, you can do it during our in camera discussion on the result of the testimony.

Mr Cordiano: Maybe it is worth discussing.

Mr McCague: There are cases, no doubt, where people beat the system, but there are other cases where you are beating the taxpayers, and I will explain to you how you are doing that.

Understand that the line for the north boundary of the GTA is Highway 9. If your address happens to be rural route 1 Palgrave or rural route 1 Schomberg, both of which are on the south side, you send them a notice that they owe \$90. Some of them, being what they think are law-abiding citizens, are going to pay that. What are you doing to correct that situation?

Ms Jacobsen: We are looking at it in total. Because this is fairly new in terms of the differentiation of permits, we are looking at the implications of it. I think if we have a concern, it is more the larger fleet operations and their concern in terms of designation of their head office. But in terms of the individual variations, I think that what we have to do is see how, over the next year or two, the permit system works.

At any point you draw an arbitrary line, there are going to be people who fall in or out of the line. I think that we are concerned in terms of what may appear to be an arbitrary drawing of a line, but I guess of the things that we worry about, the address of where a person lives—as long as there is a way that we can reach him in terms of convictions and in terms of public safety, that is our main concern.

Mr McCague: My concern, of course, is that you are overcharging the people in my riding.

Ms Kelch: On that issue, I know we have had some correspondence from you and from some of the people in your riding who are concerned about that. What we have attempted to do in those areas where there is a possibility of being on one side of the road or the other, depending on your rural route number, is to indicate to both our ministry offices and the private issuers that they are to have a map up on the wall. So you look at that as an individual when you come into the office to determine which side of the road in fact are you on, irrespective of your rural route number. Hopefully, through, that we will minimize the number of people who are overpaying the Treasurer.

The Chair: Any further questions on this section? Fine, we will move on to driver system data processing. We have been talking about it to some extent because I recognize that there is an overlap, but I am going to ask our auditor to do a quick overview of the issue as he sees it and then allow the deputy minister to respond.

Mr Otterman: Very briefly, the issues which we have already gotten into to some degree are around the system. It is not an electronic data processing problem. We gave that system high marks, again, for the way it is being operated, and that is another large system. It is these peripheral things around it which are more system and administrative deficiencies that either could not be planned for or were not considered appropriate at the time the systems were developed, and there is a lot of interaction, as we have already discussed, with the Ministry of Financial Institutions, the Ministry of Consumer and Commercial Relations and the police forces. That is all I would like to say at this point.

The Chair: Does the deputy minister or her staff have any comments?

Ms Jacobsen: I assume the main concern in this area is the ability of drivers to obtain new driver's licences, under a change of name particularly. I think the ministry has been concerned about that. We feel that in our discussions with Consumer and Commercial Relations and an automatic relationship with it around change of names, we will be able to have some surety that that loophole will be closed. That does not sort of take into account fraudulent use so much as what was a natural loophole.

Ms Poole: At the time of the auditor's report, he indicated that there was a six-month backlog of approximately 8,000 documents in the driver improvement office. I have no idea how many individuals this represents, because these were actually documents. From the ministry response, it sounds as if you have actually an action plan in place. Could you tell us what the current backlog is and whether there has been considerable improvement since the time of the auditor's report?

Ms Jacobsen: I will ask Pam to talk about the detail in terms of the backlog, but over the last year, with the help of the Management Board of Cabinet in allocating some additional resources and a major internal relocation, we have cleared up the significant backlogs in all the areas that were identified. Maybe Pam would talk specifically about the time there.

Ms Bryant: I cannot give you the current number of backlog cases, but we have made some remarkable improvements, initially through quite an overtime effort, having staff work weekend shifts and evenings and that sort of thing, to really

reduce the backlogs. Now, with the injection of some additional salary resources, we are able to regularize that staffing, so we are at about the staffing level we think we need to get to a desired program standard of general turnaround on medical reports of between two and three weeks. Those are the regular medical reports.

In addition, we have a kind of very fast-tracked stream which is called an immediate suspension process. I think the auditor had mentioned that in his report. There is very quick turnaround on that. Sometimes it is a case of just a matter of days.

Ms Poole: In your opinion, the backlog is substantively cleared and right now you are working on current cases.

Ms Jacobsen: It was substantively cleared. Also, we feel we have in place a mechanism so that it will not drift again. It would not be enough just to put on the overtime, clear it up and then have it drift back over a year or two.

Ms Bryant: If I can just add, we try to differentiate in the medical case load the very high-risk drivers. Our target is to have a decision on those drivers within two to three weeks. I guess the more typical type of medical condition that we would look at is where there is a lower risk but still a possibility that this driver would be involved in accidents, and that is where we would be up to a three-month turnaround time.

Mr Pouliot: As Ms Poole has said, we are talking here about a significant amount of overtime to catch up. The component of highway safety is paramount in this. Are you confident that you will get the resources so that you will not have to go again to overtime? The backlog will keep on unless it is addressed on a daily basis. You will have to work it into your system. Otherwise, next year or two years down the line, you will be faced with the same backlog.

Ms Jacobsen: I am confident in terms of the resource allocation. We have assessed that the growth in terms of both vehicles and drivers is at quite a large rate, so what we are also looking at are alternative ways of doing business, which may include extending the length of time in terms of renewals from three to four years and looking at alternatives that mean that two, three and four years down the road we are not into a situation where we constantly need to expand our resources by the number of drivers and vehicles.

Mr Pouliot: Just as a point of interest, how many new licences do you issue each year and to whom, by age group, male and female? I know you are under a lot of stress, especially in southern Ontario. It seems that a good many people wish or choose to move here.

Ms Bryant: I do not have that specific information here. We do about 450,000 road tests annually. A considerable proportion of those 450,000 would be first-time drivers. I can get the information for you. I just do not have that level of detail here.

1150

Ms Bryant: About a third of the people taking road tests fail the first time around.

The Chair: And some people fail more than that. Carry on, Ms Poole.

Ms Poole: The other area I would like to explore is the multiple driver licence numbers. It appears from the ministry

response to the auditor's concern in this regard that you feel there is very little that can be done to eliminate that without stressing and straining your resources to the maximum. You have said it is not possible within the existing driver system to implement the recommendation.

The final draft of the auditor's report is a recommendation that you cross-check with some system like a social insurance number or a birth certificate number, that there could be a valid cross-check which would eliminate many of these duplications. Would you like to elaborate on that? What the difficulty is in, say, taking a simple birth date and using that as a cross-reference?

Ms Jacobsen: Given the volumes that we are handling and what we are projecting we will handle over the next 10 years, that is an example of something that we will collect in the new driver project. I have committed myself to the chair to forward for the committee the kinds of issues that we are looking at. We would require an amount of automation to do that that we do not currently have within our system, but that is one of the things that we see and I have committed to myself to deliver to the chair in terms of the issues.

The Chair: What you should be aware of is that the auditor had withdrawn his recommendation, that being in an earlier recommendation, because he thought there might be some difficulty with the whole thing. The ministry staff convinced him, I guess, that there were very great obstacles to overcome to deal with it.

Ms Jacobsen: Given the volumes that we are handling. I think Margaret wants to make a point.

Ms Kelch: Just on your suggestion vis-à-vis checking with other databases, I think the challenge for us in the driver database is that it is not sufficient to check to see whether there is another John S. Smith or another J. S. Smith or another John Syracuse Smith. What is more relevant to us is the address, and none of those other databases give us current addresses. That is why this issue is so complicated for us, what we call contender checking. What will have to be done from a contender-checking point of view is to find all of the J. S., John S., John Syracuse Smiths and then to get confirmation as to whether they were claiming to have different addresses. It makes it much more complicated than just the actual name. In the other databases that are currently public and would be accessible to us, even if we could accomplish the automation, which would require a significant level of increased investment, we are not quite sure the problem would be resolved, so that is the kind of review that we are doing.

Ms Poole: I can certainly see the problem that you would encounter in trying to do it with the high volume you are working with. Is there any way that you would have sufficient resources to do a countercheck with those who, say, have a certain number of demerit points or are in a high-risk area? Then perhaps it is worth while to make sure that those high-risk drivers do not have two separate licences with John S. Smith on one. It might be worth doing that additional work to ascertain whether they have two separate addresses or they are indeed two separate people.

Ms Kelch: The system to which the deputy alluded and the work that we are doing vis-à-vis the revision of what we call the driver system and the whole driver program is looking and is premised on the ability to be able to look at the entire driver history and what we call driver career. That is our ultimate aim

in terms of the refabricated system. Today we cannot do that because of the computer and the technology limitations, but ultimately, in the time frame, the three years, plus or minus, to which the deputy referred, we hope to be able to do what you have described.

Ms Poole: That is excellent. So it is actually part of your ongoing plan.

Ms Kelch: Yes.

Ms Poole: Although you do not have the existing capacity now, you are fairly optimistic that it can be incorporated once you have the expanded database.

Ms Kelch: Correct.

Ms Jacobsen: As a ministry, we are also interested in having more dialogue with the problem drivers, rather than focusing on six million drivers and having the same amount of interaction with them.

Ms Poole: Thank you.

Mr Leone: On page 3, an overview, it says that the system also supports the operations of other ministries and the law enforcement agencies.

The Chair: I am sorry, the deputy minister does not have that. You are referring to your briefing notes. I am quite prepared to share the briefing notes with the deputy minister. If you are going to refer to them, I think it is only fair that she have them in front of her.

Mr Leone: Anyway, it says that your ministry co-operates and supports operations of the ministries of the Attorney General and Consumer and Commercial Relations, Ontario Provincial Police, etc. Who else is covered under that "etc"? I want to know if they are just government agencies, or do you give information about driver's licences to private—commercial, legal, banks, etc?

Ms Jacobsen: I will ask Margaret to respond to that.

Ms Kelch: I am just looking at the list, as I speak: Attorney General, Consumer and Commercial Relations, Ontario Provincial Police. I would add the Solicitor General to that list. It is also a big participant with us in terms of sharing driver information. The one major community that is not represented there, although it may be elsewhere, is the insurance community. We do have direct, on-line access for the insurance industry. It has the ability to get what Mr Kormos was referring to earlier, the three-year driving record on line, and it pays a specified fee for that.

In terms of access from other organizations, either on-line or otherwise, you have to come and make a specific request to one of our ministry counters, fill out a form and specifically make that request for the information.

Mr Leone: But under those conditions, you do give the information about an individual if he comes.

Ms Kelch: Yes. You pay your \$5 and you get your three-year abstract.

Mr Leone: And that is within the rights, because after all, this is a piece of identity for people. Still under your ministry you can give out this information, change of address or something.

Ms Kelch: What you get when you come to a counter and ask for a driver abstract, as we call it, is the name of the individual, the address, and a public three-year record.

Mr McCague: Just on that point, who can come and get that information? Can I get my own? Can somebody else get my driving record?

Ms Kelch: Yes, the public three-year record. If you come and you pay \$5 for the abstract, you can get that record.

Ms Jacobsen: He has also asked, can someone else?

Ms Kelch: Yes; the answer is yes.

Mr McCague: I do not like it, but—

Ms Kelch: It is on the public record, and that information is information—particularly with respect to your driving history—which is all public because it has taken place through the public Ontario court system. Convictions that you have obtained for irregular driving behaviour are the basis on which we give demerit points, so that is all part of the public record.

Mr Kormos: Mere laypeople pay a fee for that?

Ms Kelch: A member of the public can come and pay a fee for this.

Mr Kormos: Does the insurance industry pay a fee for it?

Ms Kelch: Yes, it does.

Mr Kormos: Do you know what the revenue was from the insurance industry for those?

Ms Kelch: I do not, but we do have that number. It is significant.

Mr Kormos: There was some concern some years ago raised by women about the accessibility of the general public to motor vehicle registration.

Ms Kelch: Correct.

Mr Kormos: And that was to say that mashers, at the very least, were using that to harass women by finding out their name, their address, if a woman would be seen in her vehicle. There were some hurdles implemented to control that. What is the current status of access to motor vehicle registration information?

Ms Kelch: When you come to the counter and make a request for that information, you need to fill out a form, you need to sign that form and you need to give us a reason as to why you want that information. We rely very heavily on our counter staff in terms of being able to determine whether it is for other than legitimate purposes. But the broader issue that you raise in terms of freedom of information and protection of personal privacy is one that the Information and Privacy Commissioner of Ontario has raised with us, and we have been in very specific discussion and elaboration of the issues with him over the last 14 months or so, and that is continuing. We do not yet have a final resolution in terms of what our absolute rules will be, but those are the current administrative practices.

Mr Kormos: It is conceivable that the commissioner might indicate that, as compared to a record of convictions, this is information which is protected by the act. Is that conceivable?

Ms Kelch: What we are doing is, rather than putting it in the form that you have described, with the commissioner, best

developing what is public information and what is personal information.

Mr Kormos: You recognize the hardship that there is, for instance, for people involved in motor vehicle accidents where they want to issue writs against the owner of the other vehicle.

Ms Kelch: Absolutely. Those are all of the issues that have to be debated before we make a final determination as to whether anything will be prohibited.

Mr Kormos: There will be a policy statement issued in that regard at that time?

Ms Kelch: Yes.

Mr Kormos: Okay. Thank you. I appreciate that.

The Chair: If I were to want to enter into a business relationship with Mr Cordiano and I wanted to do a credit check on him, I would be required to have him sign an authorization saying that he knows I am doing that credit check. Are there reasons as to why the same standards should not be applied to my driving information? I am quite willing to sign to Liberty Mutual an authorization to have it check my driving record because, for one thing, I know I have nothing on it.

Ms Kelch: We will check.

The Chair: You can check that. I would not tell you a lie. Trust me. I am the opposition. Where is Bill Ballinger? He is asleep at the moment.

Mr Ballinger: I am not asleep.

Ms Jacobsen: I think the concern with that example is that if you run into my automobile, for you to give your approval leaves me without the ability to identify you and seek damages.

The Chair: Right. Okay.

Ms Jacobsen: That is the crux of how we balance the public database with personal information.

The Chair: And particularly in the case of a hit and run—

Ms Jacobsen: That is right.

The Chair: —somebody who hits me and then runs off, then I want to find him and report him to my insurance company.

Ms Jacobsen: Someone runs over a child on a street and a neighbour takes the licence plate, and that is often the identifying factor.

The Chair: It makes sense to me. Mr Cordiano, you had a further question.

Mr Cordiano: No. I was just going to say that there is certainly a set of rules that you are following at the present time, but it is not laid out anywhere.

Ms Kelch: There are guidelines to all front-counter staff, yes.

Mr Kormos: I know there are problems that some people encounter who are seeking legitimately the identity of owners of vehicles based on licence plate numbers. Mailed-in requests can literally take weeks and, once again, for who knows how many different reasons. When you comment on the time lag in delivery of information regarding vehicle histories, I wonder if you could talk about time lag and how that might be improved and whether you contemplate including that into your telephone

verbal confirmation, the Personal Property Security Act type of approach.

Ms Kelch: I can answer a big piece of your question, Mr Kormos. Part of the challenge we have with telephone inquiries is that it gives our front-line staff very little real, live evidence to work with in terms of those so-called mashers to which you referred.

Mr Kormos: Quite right, but you are going to have to decentralize. If you are going to make this more accessible to people across the province, you are going to have to decentralize so that the applicant gives his or her written application to a local respondent.

Ms Kelch: We do that now. You can deposit your request for that abstract, whether it is vehicle or driver related, at any office.

Mr Kormos: All right. Fair enough.

Ms Kelch: It is not processed there, because it has to be processed in Downsview, but you can submit the request to fill out the form at any office.

Mr Kormos: Precisely; so if that office has the authority to clear it, why can there not be a verbal with a written confirmation to follow?

Ms Kelch: Because they do not have, in fact, a system there to get the information.

Mr Kormos: Exactly. That is why I am talking about that time lag.

Ms Kelch: It requires the technology investment to do that.

Mr Kormos: Right.

The Chair: There being no further questions on this matter, I want to thank you, Madam Deputy Minister, Ms Kelch and Ms Bryant.

There is a considerable amount of information that we have asked you for. I recognize that some of the information will take a little while for you to obtain. We would naturally understand if it takes you three weeks or so to put this together. We will be quite understanding of this. By the same token, I am sure you will be understanding that our report on this matter may take a little bit longer than perhaps other reports that you have received from public accounts committees, since we will not deliberate on this until we receive the information we have requested.

Thank you for your co-operation. We will see you again on the item that we did not have time to deal with today.

The committee recessed at 1204.

AFTERNOON SITTING

The committee resumed at 1430.

ANNUAL REPORT, PROVINCIAL AUDITOR, 1989
ONTARIO BOARD OF PAROLE

The Chair: I will call the committee to order. We are dealing with section 3.6 of the 1989 annual report, the parole decisions. We have Sheila P. Henriksen, the chair of the Ontario Board of Parole. Beside her is—

Mr Sandhu: My name is Ken Sandhu. I am the executive vice-chairman of the Ontario Board of Parole.

The Chair: The audit, in comparison to many audits that we have had, was reasonably favourable. I think that would be a reasonable statement, that the auditor was reasonably comfortable with the job that you people are doing. Therefore, I am going to exercise some discretion. Rather than the very prolonged inquiry that we normally have when people come before us because they are in some kind of trouble, this will probably be a more leisurely attempt for us to get to understand where you are, some of the changes you may be making and an opportunity for members of the Legislature perhaps to say, "Keep up the good work and we're happy to see you," and get to know a little bit more about what you are doing.

We do get a number of inquiries, needless to say. A lot of them are more to do with the federal parole system, where people who have committed perhaps more dangerous or serious crimes are being let out. So this does provide us with an opportunity to get some information for our constituents and be able to satisfy some of their concerns, fears, whatever, that arise from time to time.

I am going to ask the auditor to lead off and just describe what he did and what some of the concerns are.

Mr Otterman: I would ask Gary Peall, who is the director responsible for the audit, to make some introductory comments.

Mr Peall: I will keep my comments very brief. Just to put things in perspective, the audit of the parole board was part of a much larger audit we did of community correctional services in the same year and reported in the same year.

We felt that as part of that audit we had to look at the board of parole because its decisions did affect the role and the duties of probation and parole officers. Although the board makes the decisions, it is the responsibility of the probation and parole officers to make sure the people let out comply with those decisions, a reminder that we are dealing with less risky offenders typically than the federal system, because we are dealing with sentences of two years less a day.

Our main conclusion was simply that, statistically speaking, parole has been reasonably effective in ensuring public safety within Ontario. On that basis we felt that the procedures had to be judged as reasonably good overall. We just felt that better recordkeeping on the rationale for decisions reached would help ensure, or at least better ensure, consistency and fairness and also help reduce the risk to public safety in Ontario.

Mr Adams: On a point of information, is it possible for someone to have several sentences of two years less a day and therefore, in effect, be in for longer?

Mrs Henriksen: Would you like us to answer that question?

The Chair: Yes. The question was directed to the auditor, but he does not have the answer, so maybe you can answer it.

Mr Sandhu: It is possible for an offender to get more than one sentence which would run concurrently to the two-year-less-a-day sentence, but in that instance the offender is only serving a total of two years less a day. Under our present system, anyone who has an aggregate sentence that exceeds two years will go to the federal system.

The Chair: I wonder if Mrs Henriksen has any comments based on the audit, or if you would rather just answer questions.

Mrs Henriksen: I would just like to respond very briefly to the recommendations made by the auditor, a comment on those. As to the observation that we could improve on the documentation aspect of our operations, we have acted on that in the form of taping hearings. We have run a couple of pilot projects using different kinds of taping mechanisms. We are trying to iron out the technical bugs in that area and also to get members used to the idea of the hearing being taped. We obviously had to wait for the funding for this, so I would say that by the beginning of the next fiscal year we will gradually introduce full-blown taping right across the board in all of the regions.

We have met with, I would not say full-blown enthusiasm, but a great deal of acceptance by the members in our effort to improve the documentation, improve recordkeeping and of course use these tapes in the future for performance assessments and for training and evaluation of members and so on.

Mr Pouliot: The findings of the auditor and the recommendations remind me of a first-year teacher being assessed by the inspector, if you wish. Having gone through the classroom, they look at the form and they really cannot find anything that is wrong, but they have to write something. I think it is difficult, certainly not easy. There are an increasing number of people, not always under the best conditions and certainly under close scrutiny.

I really have no questions. I want to commend you on a job well done. Certainly of the recommendations, the most serious note is regarding more accurate, better, more in-depth recommendations, certainly not harsh criticism on the part of the auditor. I could only wish that the meeting would be prolonged, but maybe I will get to go home early, and it is unfortunate because we just met.

Mrs Henriksen: I thank you very much.

The Chair: I wonder if you could put it in context. Of 10,000 applicants for parole, only 3,500 were given. How would that compare with other jurisdictions? We are told by various media that Canada jails more people than any other people in the noncommunist world. I guess some of us who are taxpayers say, are there a lot of people in there at taxpayers' expense for whom there are other ways of punishing and they should not be costing us all this money sitting in jail when they can be doing more constructive things? How does that 3,500 compare with other lesser offenders in the United States or other jurisdictions?

Mrs Henriksen: I believe we have some figures that would relate to the federal system. We parole about 50-50; deny 50, parole 50. Sometimes it is a little bit higher than 50 per cent.

I think the ratio is pretty much the same across provincial boards and with the federal board, although there it is closer to 60 denial, 40 parole.

1440

The Chair: They are dealing with more serious offences.

Mrs Henriksen: Right, but in our case, in the provincial case, while we may not be dealing with as serious offenders as the federal system, we really have to deal with time, the shortness of time that the offenders are in the system. We have to work very hard to try to get the documentation in on time so that we can actually conduct the hearings before the parole eligibility dates of the inmates. I do not know; it is so hard to really compare it to the American jurisdictions because they are so vast and varied, a lot of state jurisdictions, municipal jurisdictions and the federal jurisdiction that they have south of the border.

Next to the federal board, we have in Ontario the largest workload of the provincial boards. If we were to compare the provincial boards, the numbers are smallest in British Columbia, next the province of Quebec and then Ontario. The largest proportion of workload in the whole area of parole is actually with the federal parole board. But, for the provinces, we have the biggest board and we have the highest workload. So the 3,000-odd that we parole out of 10,000, I think that squares fairly well with the ratio for the other boards, except the national board.

Mr Adams: We have never heard our chair introduce a hearing like this before. You should know that. But I am glad to see, though, that you have taken the audit very seriously. The auditor does his work very seriously; he is looking for value for money and so on in the system. You yourself addressed the question of documentation of decisions and that kind of thing.

You have 19 full-time members and 100, or whatever it is, part-time. Could you just talk about the sort of training that both get, first of all the full-time and then the part-time people, to prepare them for making these decisions?

Mrs Henriksen: I will take the full-time members. Most of the full-time members are pulled from the Ministry of Correctional Services. These are, by and large, civil servants who are expert in this field of criminology. When they come to the board, they come with a tremendous amount of correctional knowledge. Nevertheless, there are processes within the board that are different from what happens within the ministry. So they engage in a three-day orientation program along with the community members who come to the board. We do three full days of intense orientation.

As far as the full-time members are concerned, after they have done that, they do exactly what the community members themselves do, that is, sit in on hearings to learn the procedures. They read all the documents, read the manuals, become acquainted with the operations of the board. Only when they feel comfortable, which is about a three-month period, do they begin to chair the hearings. The full-time members might do this sooner, but the community part-time members take a little bit longer to become acquainted with the procedures.

During the first year of a community part-time member's tenure, we have a staff training plan that is cyclical. There are certain courses that come up at certain times of the year every year, and these include interviewing, case preparation, decision-writing and decision-making. So the community part-time members, as well as the full-time members, undergo that train-

ing within the first year of their tenure. Beyond that there are the usual specialized courses that they would engage in, or attending conferences and that sort of thing. The training is fairly intense.

Mr Adams: I appreciate that description. That indicated that the criteria these small three-person groups use are: Has the offender derived maximum benefit from incarceration, will release aid in rehabilitation, is the offender an undue risk to community safety? I think it is noted, though, that the members also often appear to take into account plans that are available for, I guess you would call it, the receipt of those people into the community.

Mrs Henriksen: Yes.

Mr Adams: The members are quite influenced by that. I can understand that. Now the first three I can see as being quite straightforward. There are records and documentation and people read them. On the next one, does someone, I guess, from the home community of the person who is seeking to be paroled submit a plan and say, "This person will come home to Thunder Bay," let's say, "and in Thunder Bay we have this and this arrangement"? If that is so, is that a fairly standard thing? In other words, would there be an advantage to come from one place as compared with another in terms of that influencing the parole decision?

Mrs Henriksen: It is very standard; it is done in every single case. It is a preparole report that is submitted by a probation and parole officer. In fact, the probation and parole officer visits the home in which the person intends to reside. An interview is conducted with whatever relatives are living there, whether they are the parents, the spouse or whoever. Whatever plans the inmate submits, those plans are verified by virtue of that in-house visit. We do not take just the inmate's word that he will do this or will not do this. The probation and parole officer must conduct that home visit to verify those plans and then provide a report to the board. We will not consider the case if we do not have that.

Mr Adams: That fourth criterion, the conditions in the home base, is in fact a formal fourth criterion? There are not just three criteria and then this is an extra one which members take into account?

Mrs Henriksen: No, there are three legislative criteria. The three you read are the ones in the legislation. The preparole report is a document that is required in order to assess readiness or suitability for parole.

Mr Adams: It has equal weight with the other three then, apart from the legislative point?

Mrs Henriksen: I would not call the preparole report a criterion. I think the auditor's report noted that there was a great deal of emphasis placed on the parole plan. Is that right? I would not call it a criterion. It is a condition that is necessary to assess the criteria.

Mr Adams: I have one more thing. I could actually argue against this documentation which the auditor recommends and which you spoke to. I know these people are not a jury, but a jury does not have to document what it does. In the end, somehow or other, people, properly trained and properly conditioned, have to come to a decision. That is the way I see it. I can argue that if you overdo the documentation side, first of all you take away from some of the personal input to that process; and

second, if you could imagine that going on in a jury, you would actually limit the number of people who could be picked for jury duty, because a lot of people who would be very, very good judges of character and can weigh things are not the sorts of people who can document things. I wonder how you would comment on that. I know you stress taping. That is an interesting idea, because, in fact, once one has accepted the idea, it is not really intrusive. Everybody, even those who do not work with paper, as for example we do here, as you can see, feels comfortable with it. Would you care to comment on that?

1450

Mrs Henriksen: I am trying to get the gist of what—

Mr Adams: What I mean to say is that I could imagine that you could overdo the emphasis in documentation, okay?

Mrs Henriksen: That is true. Surely you can overdocument. I think in the case of what the actual thing is we were underdocumenting. I do not know which evil I would live with, overdocumentation or underdocumentation, but in the kind of business we are in I guess I would go for overdocumentation. We have never had, really, that overdocumentation problem. Our problem was underdocumentation. A lot of it depended on people's style. Some people will take just very few cryptic notes, but a lot of it is in their heads; it is there already. Others will take copious amounts of notes.

Mr Adams: And there is very little in their heads.

Mrs Henriksen: That is right. Yes, very little in their heads.

Mr Adams: Or their hearts.

Mrs Henriksen: So there is that variation. But our concern, really—

Mr Ballinger: You were not speaking, of course, about anyone on the committee.

Mrs Henriksen: I would not make any comment about that. But our concern, really, was underdocumentation, particularly on review. When you went back to review a case it sometimes was found difficult to get the logic that went through.

Mr Adams: I understand, and I just hope that you do not overreact to the auditor. The auditor's office works on paper all the time and I think you should be a little bit wary of that particular bias it has, okay?

Mrs Henriksen: Thank you, yes.

The Chair: Okay, I just wanted to assure my colleagues that my laudatory introduction does not mean that she is a member of my riding association or anything like that. I have never met this person before. It was based purely on the audit and the audit was good.

The next person on my list is Mr McCague.

Mr McCague: I would be interested to know from the auditor—tricky question, but I will ask it this way anyway—where do you get your authority to comment on documentation?

Mr Peall: I think we tried to say in the objective of the audit that we are really not trying to evaluate the decisions reached, but only that there was some form of trail, that you could tell the rationale used for the decision. Usually the argu-

ment we use for documentation is one of consistency, one of supporting a legislative process or a legal process that may have to be defended later. It is a method of ensuring that accountability is established and can be maintained and that people can be drawn to account for. That is the argument we virtually always use to comment on documentation. I think Mr Adams's point is valid, that you do not want anything overdocumented, and I do not think we were saying that. We were mostly concerned from the public safety side. So we were looking at, where they reach no decisions, was it fairly obvious why they did it?

Mr McCague: It appears that I have upset Mr Pouliot a lot more than you. However, I found it an interesting question. It appears you said that the documentation was not adequate. It appears that the parole board swallowed that hook, line and sinker. That is unfair, I know, but I will give the chair a chance to answer this. Yet I heard her say that there was less than general acceptance of the need for further documentation. So somewhere in between—do you know the point I am making?

Mrs Henriksen: I hope I said I felt that we had a problem with underdocumentation, not overdocumentation. Our remedy for that is to try to get an accurate record of the proceedings, and that is why we are moving towards taping the hearings.

Mr McCague: Yes, and you said, I think, in your comments about taping that there was less than—I am not sure of the word you used—enthusiasm about it among your members.

Mrs Henriksen: If I did say that, what I meant was that the members are not averse to taping. That was the point I was trying to make, that they do not have objections to having the hearings taped.

Mr McCague: But somewhere in there, on the point that Mr Adams was raising on the jury, that kind of thing, I am sure if somebody were reluctant to be taped, there is some justification for that too, even if it is only in that person's mind.

Mrs Henriksen: That is quite correct. Within our policy, the way we are drafting it now, if the inmate does not wish to be taped, we will revert to written documentation.

The Chair: I think the policy was spelled out in the ministry's response, so maybe it would be useful if I just reviewed it with you, because it is fairly clear that what the board is doing is accepting the recommendations and concerns of the auditor.

"The board has been aware of the need to improve documentation, and had therefore already decided to take certain actions before your audit had commenced. In March of 1989, the board introduced, as a matter of policy, 63 decision-making factors to be used as a 'reference point in considering all in-person initial and review, (ie, not post-suspension) parole hearings.' The board is currently considering various ways of incorporating these guidelines into a standard reading/hearing/decision-making form. A final form is expected to be developed, tested and in use by March 1990."

So it would appear from the answer that the problem is being resolved.

Mr McCague: I am new on this committee, but it seems to me that the kinds of comments the auditor was making in this case are reaching a little more than some of the more specific comments that we get in other cases. I do not know. Definitely it comes more in the area of a comment than a criticism. I would not have blamed the parole board if it had argued it with the auditor in this particular case for whatever reason. This did

not look like a customary case to me. That is why I raised the issue.

Mr Adams: For your information, following what you had said, if we were working with some sort of point system, something that could be reduced to points, which would be the extreme case, we would do it, but we are not and we have no intention of doing so. It is a very, very human process we are talking about, and I was not criticizing either what the ministry has said or what the auditor said. I was simply cautioning about that. I do not see it being effectively reduced to a number; I just do not. It was a cautionary remark, Mrs Henriksen.

Mrs Henriksen: I took it that way.

The Chair: Mr McCague, is that all?

Mr McCague: Yes.

The Chair: Ms Poole is my next questioner.

1500

Ms Poole: Just before I go into my questions, I want to comment on the last question by Mr McCague. It would seem to me that documentation is a very necessary, and has been quite an important, part of the auditor's role. I, too, am new to the committee, but from the reports I have seen to date, Ontario Place, the children's aid societies, a number of them, I have seen the auditor pointing to the need for documentation with the very valid assumption that if we cannot find out what happened in the process, then we cannot even comment on whether it has been followed appropriately or whether the appropriate care or the appropriate value for money are being given. So I just think it is a good direction and I think Mr McCague was right to bring up the question of it, but I would see it as a very valuable part of your function.

On to my questions: first of all, the makeup of the parole board, which is one full-time member and two who are part-time members drawn from the community where the institution is based. I am really glad to see that community involvement and I was wondering if you could elaborate on what you would mean by community. Community for, say, the city of Toronto, would that be somewhere in the greater Toronto area? Would community for Timmins be somebody from North Bay? How immediate is the community?

Mrs Henriksen: Let me just take you back to a context and then I think it will become a little bit clearer. We conduct the hearings in 46 institutions right across the province and we are in five different regions: north, west, west central, east and central.

In each of those areas there are major institutions and then satellite institutions. The members are selected from those areas within those regions. For example, in Metro Toronto—the central region is basically Metro Toronto—the members would be selected from anywhere in that area.

In the west central region the office is in Campbellville but the institutions are in various locations in the west central region, so there would be members coming from the Niagara area, from the Brampton area, from Burlington and so on.

What we try to do, and we largely succeed in doing this, is to get the members really in the vicinity of the institution where the hearings are conducted. I guess that is what we would call the community and that is defined based on the areas within the various regions.

Ms Poole: That is helpful.

Another question relates to the three criteria for granting or denying parole. Specifically, I would like to focus on the third one: Is the offender an undue risk to community safety?

It would seem to me that this is a fairly subjective criterion. For instance, if you have a man who has battered his wife and gets an 18-month sentence, if this person is a repeater, has been in before for the same type of offence and you may have doubts as to whether he will be a risk to his wife, not necessarily to the community at large but certainly to a specific individual, would you retain that individual to the full sentence or would you say: "Well, he is not at risk to the community. We do believe that he will have a better chance at rehabilitation if we release him. We think that keeping him in prison is not going to do any good"?

I know that is asking you to comment on specifics of a type of case, but would you see that the parole board would grant parole in that instance?

Mrs Henriksen: That is a very good question. We can approach it from many angles, I think. Ken, you wanted to say something on that.

Mr Sandhu: Let's take the hypothetical example, as you explained, that this person is charged with violence against a spouse. The person has committed previous offences. As our criteria go, we will examine this case very closely from the point of view of saying, "What kind of history is there, both criminal and social history?" It is rather surprising that at times the same spouse may in fact appear before us and support a parole release. As we also know, in a lot of spousal abuse cases the spouse will support it. It is hard to explain at times. We well know there is a lot of literature that explains why that is so, but it happens.

In any event, what this case does for us is that right away it falls under a category of what we call criteria offences. These are largely offences under the Criminal Code that we have picked out that relate to violence against persons, as opposed to property offenders.

In these cases we have a mandatory requirement that we will have a psychological or psychiatric assessment carried out to tell us what kind of frame of mind this person is in. That is a little extra mile we go on these kinds of cases, that is, to address that risk criterion. But you are quite right. That assessment of risk continues to be subjective. There are no really good tools for assessment of risk. It is a difficult area to address.

In some ways we are also hoping, by making it a little more structured, where we have said we have a number of factors that we are introducing into our hearing process, that that would help us in focusing on that risk assessment area.

Mrs Henriksen: If I could just add to what Ken said, in that particular case it is certain that we would put a special condition on that person, if he were to be paroled, not to associate with, specifically, the name of this person. What we would also do in that case is notify the police that this person is out on parole, was granted parole, particularly the victim if the victim had made some sort of victim impact statement to us. We do have a policy in victim participation, and victims can make statements to the board, particularly when they fear for their lives.

Ms Poole: This would actually follow from a concern I know the chair has. It was actually your question. Why do you not place it?

The Chair: We were talking about this earlier. The complaints I have had from some constituents, particularly battered

women, is that, fine, they accept that their estranged husbands cannot remain in jail for ever. That is reasonable.

But they at least would like to know approximately a couple of days before he is released, because, for comfort reasons, they might like to have someone stay with them for a few weeks to ensure that he does not show up back in the neighbourhood again. There is a good chance he will not, but they feel more comfortable having somebody stay with them or they feel more comfortable perhaps going over to a friend's home for a few nights because they have been battered.

Sometimes they find out from a friend or neighbour or somebody they play bridge with or something like this that John is out on the street again, and then they get really uptight. I am wondering what precautions you are now taking. In many cases these were federal, so it is not your jurisdiction, but it is a complaint that I get.

Mrs Henriksen: It could be provincial too. As I mentioned earlier, our policy is new in this area. We were doing it in a sort of ad hoc way. If the victims called in, we would provide certain information because it also does come under freedom-of-information legislation.

But now we have formulated the very formal position that we will consider victim impact statements. We have just produced a little booklet, and I am sure I asked to have copies sent to all the offices of MPPs in case their constituents are concerned about this. We are distributing them to a lot of the distress centres. There is very wide distribution on this booklet.

It outlines what the victim can do if the centre wants to hook into the process of the board. We did not want to bother—it sounds crazy—victims who did not want to be bothered. There are some victims who want to leave it alone for now or for ever, but for those who wish to we are making it a possibility for them to participate in the process. It says quite clearly what we will tell them, what information we will give them about a particular offender they are concerned about.

1510

Ms Poole: I have one more question, if that is all right. The chair had mentioned earlier the very high rate of imprisonment in this country. This question relates to the basic philosophy that prisons are for the purpose of rehabilitation rather than for punishing, which might, in effect, be questioned. Actually, this question probably should be more to the sentencing than actually your job as parole, but I would like your opinion on it. What do you think of the idea that those who are sentenced for non-violent crimes, say embezzlement, petty thievery or something that does not involve violence to the person or property, might serve their time in the community and free up moneys for rehabilitation, not only for themselves but for other people who need it who are in our prison system right now? It is an idea that has been floating around.

I am not just saying to do it on an isolated basis; I am saying to do it as a norm. That would fit in well with the rehabilitation theory. It does not fit in so well for those who think that one of the purposes of prison is punishment and to ensure that the crime does not happen again. Would you like to comment on that type of reaction?

Mrs Henriksen: You are right. It really is a very complicated question and a sentencing issue. Very briefly, you asked my opinion and it would be that I support prison as a medium of last resort. That is not a novel idea. The Ontario Law Reform Commission and many, many commissions and task forces, I would say for the past 15 or 20 years, have been proposing

prison as a means of last resort. I think in some ways some jurisdictions try to do that, but there are still very many people sentenced to an institution not as a last resort.

I think that a lot of community alternatives are tried. Still, judges would very seldom sentence someone to prison on a first offence. There are some other community alternatives that are used—fines, probation, restitution, those sorts of things—but still a large number of people end up in prison. Canada happens to be a country that sentences people to prison.

Ms Poole: We have to go right back to the judiciary and change some attitudes there.

Mrs Henriksen: Right.

Ms Poole: Thank you.

Mr Kormos: A short question: Where do the community part-time members come from?

Mrs Henriksen: Right across the province.

Mr Kormos: No, no. How do they become community part-time members?

Mrs Henriksen: Oh, how do they become.

Mr Kormos: Yes.

Mrs Henriksen: Various ways. They may express an interest to me; they may express an interest to the member for their riding, to the vice-chairman of the board or to another member. So it is not from one source that they are selected.

Mr Kormos: I read your criteria and I have listened carefully to your exchange with Ms Poole. You said that we are a jailing nation, no two ways about it, and we tend to jail a lot of people for short periods of time. There is a bulk, or an almost unnatural tendency in that lower range, and that is a problem. You can go to jail longer for a bad cheque than you can for an assault with bodily harm in many jurisdictions. That creates a great sense of injustice to the fellow sitting in jail doing four months for a bad cheque saying, "But this other guy broke somebody's jaw and he's only getting 14 days." There is a sense of injustice there, but that is a different conversation.

You have not addressed the whole phenomenon—and these rules you speak of are pretty traditional rules regarding what constitutes grounds for granting parole—of the growth of general deterrence in our judicial system as a factor in sentencing. We all know that, short of indeterminate sentences, which are no longer imposed, or life sentences, there is no such thing as a sentence which has as its immediate effect the protection of the public, because at some point people get out of jail. Our sentencing policy is one of fixed sentences.

There are a number of offences that have been deemed to be either so repugnant or of such great concern to the community as a whole that they attract custodial terms for the purpose not of rehabilitation and not of specific deterrence. The most outstanding person, with an impeccable background, who shows no likelihood of recidivism, could be convicted of one of these. Yet by law, by virtue of what our Court of Appeal is saying, he should go to jail.

I am speaking of things like drinking and driving offences. I do not care whether he is a first offender or not. I tell you, and you know this full well, the community endorses that. Indeed, if the community had its way, in its mind, those sentences would be lengthier. There is sexual molestation, in particular of children, along with sexual assaults on adults, but primarily the assaults that are imposed upon children, both in incestuous and

quasi-incestuous scenarios and in other positions of trust. There are drug offences.

Again, the general public has a pretty clear impression—and there was a point in time when some people might have said, “Well, the public doesn’t know what kind of sentences are being imposed.” I would argue with those people. The public knows full well what kinds of sentences are being imposed. They still say they are too short.

The question is, how dare you, and I say that with great respect, even consider parole when you are dealing with a sentence that was imposed, not because that particular offender needed that long in jail to clean up his or her act and not because that particular offender had to be removed from the community for the protection of the community, but because the sentence was imposed by a judge for the purpose of general deterrence, a lesson to other people: “Don’t you dare traffic drugs. Don’t you dare molest children. Don’t you dare drink and drive?”

How dare the parole board interfere with that sentence? How can it interpret any of these three criteria as being addressable in the context of general deterrence when that is the sole or primary issue in sentencing? I identified three areas where general deterrence is clearly the primary purpose in sentencing.

Mrs Henriksen: First of all, the parole board does not interfere with the sentence of the court. The board manages the transition of the offender from the institution back into the community, and it tries to do so with the minimum amount of risk to the community and the maximum benefit to the offender.

There is legislation that dares us to do that. The legislation allows us to hear every offender, regardless of the type of offence, and to grant a parole hearing at one third of sentence. So by legislation, we must automatically schedule anyone doing a sentence of six months to two years less a day for a hearing. Anyone doing a sentence of less than six months must apply for that hearing. The right to parole consideration is entrenched in legislation. There are no rights to parole granted, that is a privilege; so all I can say to your question is that the legislation allows us and dares us to do that.

Mr Kormos: You omit the consideration that we already have statutory remission to the extent of one third of any sentence. I do not quarrel with that, because what that basically does is make the jailer’s job easier. It gives the jailer some leverage.

Once again, I am not questioning your statutory authority to consider the particular inmate, and the Court of Appeal in this province—you are right—has said many times, “It’s for the court to sentence and it’s for the ministry to determine how that sentence and where that sentence will be served.” But I tell you that the community has a hard time thinking of being on parole as constituting serving a jail sentence. They have a real hard time understanding that, and again, it is not something I am going to quarrel with them about, because their reason for having difficulty understanding that is well based. I am speaking specifically about the fact that your decision is discretionary.

There is a growth of sentencing where the goal is general deterrence. I recognize that you have a statutory power and obligation to hear the applicant, but I question how the parole board can take it upon itself to interfere with a sentence that the parole board knows—because as often as not, the transcript and sentencing will specifically identify that this sentence is imposed for the purpose of general deterrence because we are dealing with such serious phenomena.

Quite frankly, I could care less about the individual when we are embarking on a war against drugs, when we are embarking on a war against drunk driving, when we are embarking on a war to protect children from abuse. So I ask you once again, appreciating everything you have said about statutory powers and statutory obligations, there is nothing in these guidelines that talks about general deterrence, because in a general deterrence scenario, the release of the inmate may well not constitute an undue risk. The reform and rehabilitation could well be aided by parole, because there is no need for reform and rehabilitation in any event.

1520

I tell you, you talk to most inmates, and as soon as they heard those prison doors clang shut behind them, they will insist that they derived the maximum benefit from imprisonment, especially first offenders. They will say, “Never again.” The minute they have to shower down and change into something less than the Harry Rosens, they vow never to do it again.

So I am still talking about those general deterrent sentences, and you know full well what I am talking about. Tell me how the parole board responds to those, if it does respond to them in any different way, or tell me that it does not respond to them in any different way. I would like to know.

Mrs Henriksen: If we are talking about two different concepts—I mean, we are getting on a philosophical level, I think, because—

Mr McCague: Because he is a lawyer.

Mrs Henriksen: Yes, I figured that. The sentencing for the purpose of deterrence is perhaps the front end of a continuum that says release for the purpose of reintegration. If we are trying to reconcile those two concepts, then you can take the position that the parole board is interfering, but if we take the concept of day of sentence to termination, expiration of sentence, there is a whole process that takes place within there which starts with the arrest, through the courts, through the institutions, through the parole process to aftercare agencies. I think if we begin to weave those in, then we see more of a continuum than a difference between deterrence and reintegration. But the board does not change the sentence of the court, as you probably know. The sentence is there. The board manages it. It does not change it.

Mr Kormos: The community expects jail sentences to be served in jail. Again, you know this, because you have had this sort of feedback. I will leave it at this, because obviously you have a totally different perspective than many people do. I am not necessarily saying totally different than what I do, but you have a totally different perspective than many.

What would it take to make the board address particular offences and particular—because I will tell you what the net effect is. Judges know that they cannot sentence and calculate the impact of parole eligibility or statutory remission, but do you really think that stops them from doing it? I mean, they are just clever enough not to say it. There have been a couple who have said it who have been appealed. The Court of Appeal has dumped all over them, and there is not a provincial judge or district judge in the province who would think of saying what he thinks when he is determining sentence. You know judges do it all the time.

What is happening with the parole board and the courts is that there is a seesaw happening. Judges multiply sentences and then the parole board reacts and then the judges multiply sen-

tences again. The process and the lack of candour is bastardizing the whole sentencing process by virtue of judges compensating, parole board reacting, judges overcompensating in response to that reaction. So what would it take for you to be impressed with a realization that there are some sentences for which the custodial element of it would be less likely tampered—I am sorry—interfered with or dealt with?

Mrs Henriksen: You are really taking me way out of the realm of the purpose of accountability for parole board operations. We can really go round in circles on that one.

Interjection.

The Chair: If you were here, you would have heard my briefing at the beginning of this.

Mr Cordiano: You are not here every moment that we are sitting, Mr Chairman. That is a very unfair comment.

The Chair: Yes, I am.

Mr Leone: You just told us—I did not know it; I was not familiar with it completely—that the parole proceedings are automatic after a certain length of time or the incarcerated people have to apply.

The question I want to ask is—we as politicians are sometimes asked to support an application of this nature on a humanitarian basis; I remember years ago a member of Parliament was reported in the paper because he supported a case that was federal—is the documentation in support of this application confidential or is it public? If I were writing in support of a case, is it confidential or do you have to—

Mrs Henriksen: First of all, I will advise you very strongly not to do that, not to write in support of any case. If you do, it becomes a public document. It is subject to access to information.

Mr Leone: Interpretation.

Mrs Henriksen: Sure.

The Chair: But it is perfectly appropriate if it is used as a public document, is it not? There is nothing wrong with me saying; "I have known Laureano Leone. I have done business with him in his pharmacy and I feel if he were paroled, he would be a law-abiding citizen." That is perfectly okay for a politician, a minister, a priest or anyone else in the community to do as long as he understands that it is a public document and he is making a public statement.

Mrs Henriksen: As long as he understands the consequences, that he is not trying to influence the decisions of an administrative tribunal and the fact that that document is public and what the consequences could be to him or her.

The Chair: The only consequence in influencing a public tribunal is if you do it off the record or in a way that is not public. There is absolutely nothing inappropriate in my saying: "I know Mr Kormos. He is applying for a transport licence and I feel he is a perfectly honest person and will run a reputable business," as long as I do it publicly. It is only if I were to call one of the board members or the chairman off the record and say, "Hey, this guy is a friend of mine and I think he should get a licence," that it is inappropriate, is it not?

Mrs Henriksen: In a general way, I suppose. We seldom get that on the board from elected officials. There is that understanding that nothing is to appear to be seen to influence the

decision of the board. A phone call or a letter could give that appearance.

The Chair: A phone call certainly would, but a letter, if it is—

Mrs Henriksen: If we do receive it, we quite frankly do not give much weight to it.

Mr Sandhu: I was just going to add to the chair's comment. What we would prefer, and this happens all the time, is that there are a number of letters of reference that are given to us by people in the community and people who have known the person. We welcome that. In fact, that is part of the process that helps us. So in that regard, if it is written in a very general way, that would be fine. But our problem would be if there were, as you say yourself, phone calls or any pressure, or what may seem like pressure being placed on the board. Then it could create problems. That is all we are trying to say. It would be perfectly fine for you to get somebody who knows the person, someone else, to write a letter. There are a number of people in the community who could support, and that may be quite useful.

Mr Cordiano: Let me just make a comment. We are going off on these tangents, and I have not been able to make my logic stick. I cannot beat it, so I might as well join it.

I think basically we are talking about degree of severity or importance here because I do not see any difference in theory, other than one's point of reference here, between what we do for people who are presenting a case before any other tribunal, like the Workers' Compensation Board, and a tribunal such as yours.

If you make the distinction that what you do is far more important to the community and has a greater impact, then, on a line of measurement, you would have to draw the line somewhere and say this is beyond the realm of what is considered appropriate. Actually, the Attorney General, I understand, is trying to come to grips with what constitutes conflict of interest for a member of Parliament acting on behalf of one of his or her constituents before any board that is established by the provincial government. I think that is a larger question that needs to be addressed.

Certainly I think, in your case, almost everyone would react instinctively and say that it is inappropriate but, in theory, that distinction has to be made on some sort of basis. There is no guideline essentially for members of Parliament because we do represent our constituents before the Workers' Compensation Board. It is a board that was established by provincial law and has a direct link to the Ministry of Labour, etc, and all those other things that are tied to what we do here in the Legislative Assembly. One could argue that there is a sort of conflict of interest there. That is basically the context of this question.

1530

The Chair: I think we are getting apples and oranges mixed. There is a great difference between being an advocate and being a reference for someone's character or someone's ability. Just as you can be, as a member of the Legislature, if you wish to be, called as a character witness in a court case, as long as it is done openly and you are not trying, as some people have lost their seats or positions for, to call up a crown attorney or a judge or something like that, then you are a witness the same as the fellow's parish priest is a witness or as someone else is a witness.

Mr Kormos: How credible is a politician going to be as a character witness?

The Chair: It all depends of who the politician is.

Mr Cordiano: I see your point. Anyway, we are getting off topic here.

The Chair: Mr Pouliot, you are questioning.

Mr Pouliot: Yes. I do not know if you can answer me. It has actually nothing to do with the auditor's finding, for which I apologize.

Mr Adams: Here we go again.

Mr Pouliot: No, a very simple question. Offenders that are incarcerated in provincial jails would number how many, let's say today, or on a daily basis, at this time when there are so many people in provincial jails?

Mrs Henriksen: I will let Mr Sandhu answer that.

Mr Sandhu: There are around 7,000 people in provincial jails and correctional centres on any given day.

Mr Pouliot: I represent the riding of Lake Nipigon. It is the northernmost riding, including Fort Severn, the northernmost community in the province.

Mr Adams: How large is that? Fairly big?

Mr Pouliot: Consequently, 18 per cent of our population, Mr Adams, are native Indian population. Can you tell me, out of 7,000 people, how many clients, if you wish, those people who are incarcerated, would be native? Is that a fair question? Would you know what the numbers would be? I am interested.

Mr Sandhu: It is a figure that the Ministry of Correctional Services has in its report, and I can only quote from it. I remember having read it and it is about 9.7 per cent for the whole province; 9.7 per cent of the incarcerated offenders are native.

Mr Pouliot: Thank you. That is interesting.

Mr Curling: Mr Kormos's line of questioning would lead one to believe that Mrs Henriksen had no mandate. I just wondered, though, in looking through this, it says that you are acting under the legislative criterion that says that the federal Parole Act specifies how you operate. Is that not your dare then? You dare to act under those criteria that are legislated? But what I was getting from Mr Kormos is, "How dare she grant parole?" I was trying to understand Mr Kormos's question. Is it that you are asking under what mandate she, or this board, operates?

Mr Kormos: No, I understand the parole board's mandate.

Mr Curling: But you said that someone—what I gather is that someone has been sentenced for these crimes and the public expects the judge to administer that judgement, to bear out that time. That is the punishment. How dare the parole board now assess that condition? They dare it under the act that says that the inmate has derived the maximum benefit from imprisonment: that is one. The reform and rehabilitation of the inmate would be added by parole: that is two. And the third and last one: the release of the inmate on parole would not constitute an undue risk to society. So it is within that frame that dares you to act upon that sentence that has been given. I just want to understand.

The Chair: I think Mr Kormos indicated that he understood that.

Mr Kormos: Indeed, sir, you did not understand the point I am trying to make. Judges have by law a number of principles to consider during the course of sentencing. Most of them lend themselves well to these three considerations by the parole board.

There is also another consideration that has nothing to do with the offender. It has nothing to do with the best interests of the offender. It is called general deterrence. It is when you want to make an example of somebody because you do not like drug traffickers, you do not like child molesters, you do not like drunk drivers. That sentence is not one that is designed to rehabilitate the offender, to even punish him. It is designed to set an example for the rest of the community, and that is where I say the three criteria the parole board applies do not mesh with that factor of general deterrence. They mesh with most of the other traditional sentencing principles, but they do not accommodate or respond to—or at least, it is not articulated in those three considerations—the phenomenon of sentencing for the purpose of general deterrence.

Mr Curling: My question to the chair of the parole board is that, for example, there could be two individuals who have come before you on the same charge, say child molestation, and the judge in his remarks makes an example of this one and says: "I want to send a message to you, to the public, that we don't tolerate that. Five years." The other person did the same act but the judge did not make that comment. Is it then, because the judge made that comment, that one is entitled to parole and the other is not? This is what my learned friend is putting forward here.

Mrs Henriksen: Under our legislation, as long as they have been sentenced to six months or more, they both must be considered.

Mr Curling: Thank you.

The Chair: The last question to Mr Pouliot.

Mr Pouliot: This one you will not be able to answer. I see those really dedicated people putting the welfare of the community—I am talking about the community part-time members—beyond the call of duty. Now 9.7 per cent of our first Canadians, natives, form the clientele. There are 100 community members here, maybe a little over. How many of those are native. Do you know?

Mrs Henriksen: At the moment we have six.

Mr Pouliot: That is good. I am surprised. I think that represents food for thought, because the society is different and the rationale indeed different. We have entire communities—the morale of the community, the spirit of the community is at stake—and they do indeed measure things on a different scale. I am pleased to see that. Thank you.

The Chair: I want to thank you, Mrs Henriksen and Mr Sandhu, for your appearance. We would appreciate, whenever you have finalized the form that is expected for your guidelines—I know, in your response, you said the end of March. I gather that since you have not said it is finalized yet, it probably is not, but we would appreciate receiving it.

Mrs Henriksen: We will be very happy to send that to you. We would be very pleased to do that.

The Chair: This is the shortest hearing, I think, that I have ever conducted in public accounts. We appreciate the fact that you have taken our auditors' comments seriously and you seem

to be implementing them. We wish you well in your endeavours. Thank you.

The committee adjourned at 1536.

CONTENTS

Wednesday 7 March 1990

| | |
|--|-------|
| Annual Report, Provincial Auditor, 1989: Ministry of Transportation | P-245 |
| Afternoon sitting | P-262 |
| Annual Report, Provincial Auditor, 1989: Ontario Board of Parole | P-262 |
| Adjournment | P-270 |

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Legislative Assembly of Ontario

Second Session, 34th Parliament

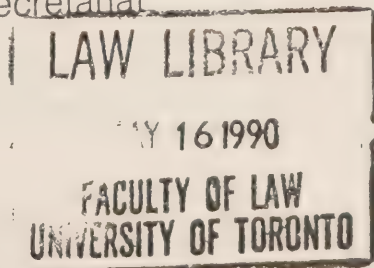
Official Report of Debates (Hansard)

Thursday 8 March 1990

Standing Committee on Public Accounts

Annual Report
Provincial Auditor, 1989

Human Resources Secretariat



Chair: Ed Philip
Clerk: Tannis Manikel

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Secrétaire : Tannis Manikel

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Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste des membres du comité et des autres députés ayant participé.

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Thursday 8 March 1990

The committee met at 1410 in committee room 1.

ANNUAL REPORT, PROVINCIAL AUDITOR, 1989

HUMAN RESOURCES SECRETARIAT (continued)

The Chair: Continuing our deliberations on section 3.10 of the annual report, we welcome back again the Deputy Minister of Human Resources Secretariat and Jim Thomas, the assistant deputy minister. The matter before us at the moment that we were just starting into is the program, Strategies for Renewal. The deputy minister has kindly supplied us with a package of information. We have also received some information from research. Does the deputy minister have any comments or introductory remarks?

Dr Todres: Yes, I would like to make some introductory remarks. I would like to spend just a few moments discussing Strategies for Renewal, one of our key strategies for ensuring that the Ontario public service has the workforce that it needs for the future.

What I would like to do is describe the program for you in terms of (1) why it was developed, (2) its contribution to changing the way we manage in the Ontario public service, (3) how it signals a transformation in relationships between ourselves and line ministries, (4) results to date and (5) how it is continuing to evolve as a program.

As you well know, after the federal government, the Ontario public service is the largest employer in Ontario. The workforce of over 85,000 people brings a unique set of challenges not shared by the majority of Ontario employers, the majority of which have less than 100 employees.

There are, however, issues that all employers face today. We must think in new ways about our workforce, the people who deliver our products and services. We must identify issues as an employer and work to resolve them. We must be competitive as an employer to attract and retain the workforce we need and, in so doing, considering all of the above comments that I just made, the Human Resources Secretariat has attempted to respond to these very challenges. With Strategies for Renewal we have undertaken a very, very innovative program of strategic workforce planning.

In 1986, when the Human Resources Secretariat was created, it was created with a mandate to develop a strategic human resource plan for the public service. Our challenge was to ensure that the OPS would have the workforce that it needed into the 1990s and beyond. Our first step was to assess what we knew about our workforce.

What we found was not encouraging but perhaps inevitable after a decade of restraint, high employment and a depressed economy in Canada. For example, at a time when 20 per cent of the Ontario labour force was under the age of 25, only four per cent of our OPS labour force was in that age group. Where were our replacement workers for the future? How could the government encourage other employers to give youth a chance when we ourselves were employing so few people under the age of 25?

The OPS had a low turnover rate. Employers usually strive to achieve low turnover. However, within the OPS, what we found in some areas was a stagnant labour force. Ministries were unable to attract new workers with new skill sets because few people were leaving to seek employment elsewhere. In addition, there were fewer and fewer opportunities for advancement or growth for existing staff. In short, the OPS had become a closed shop. There were very few external hires, people from the broader labour market.

Furthermore, we found very little interministerial movement. Many ministries did not use public forms of advertising or even the Ontario government's own publication, Job Mart, which I am sure you are familiar with. If you wanted to obtain a job in the ministries, you had to hunt down and track specific bulletin boards where jobs were likely to be advertised or posted.

At a time when the literature was talking about reducing levels of hierarchy, there were some ministries that had seven or more levels. Now that may seem to be acceptable in a large ministry. Some of the 19 ministries that we saw in that category were not particularly large and seven levels was simply unacceptable. There was also a growing concern that there were too many managers in the Ontario public service.

The consensus that was reached then was that "without conscious and planned intervention the OPS would enter the 1990s with a workforce out of step with society, increasingly enclosed and not reflective of management trends and workplace innovation."

I might just add, having spent a fair amount of time with my colleagues or my peers in the private sector, this is not an unusual phenomenon. Most large employers are sitting and going precisely through this kind of exercise saying: "What is our succession planning? What are we going to do in terms of attracting youth and in terms of being prepared for the future?"

What we decided to do then was to identify strategic directions for the workforce and establish ways of evaluating progress made on achieving these goals. That is what Strategies for Renewal is. In its first year, it received cabinet approval for three strategic directions: (1) to revitalize the Ontario public service to more closely reflect the diversity of the Ontario population; (2) to reshape the Ontario public service to reflect best management practices and to be responsive to changes in the working environment; and (3) to redeploy and thus provide greater public access to the OPS and stimulate internal mobility by employees.

Traditionally, when central agencies introduce programs of this kind, they do it in an across-the-board manner. We have tried to take a different tack this time. We have established corporate directions on a ministry-by-ministry basis. Each ministry is required to file an action plan that reflects its particular needs and ways of doing business and contribute in its own way to corporate objectives.

Our strategic workforce plan identifies strategic directions at the corporate level and with them some specific corporate commitments for change. It also recognizes that each ministry will not have the same workforce issues as the government as a whole, and so ministries are asked to look at their own labour

force to review these data and identify how they can (1) contribute to the achievement of the specific corporate directions, and (2) resolve the specific workforce problems identified in their own ministry.

In the OPS we have 30 diverse organizations or ministries employing more than 85,000 employees. Some ministries are highly decentralized. Some ministries have as few as 60 people; others have over 10,000. Some ministries are all on one floor within one block of the Legislature; other ministries are in 75 locations. Some ministries have branches with as few as eight people; others have branches with 1,000 employees. Of our employees, 66 per cent work in the Golden Horseshoe, and 33 per cent do not. Some of our employees are highly educated professionals; others have minimal English-language or French-language capability.

Our challenge then was to design a program that was corporate in nature but still acknowledged such a diverse organizational mix. I believe that we have achieved this objective and I also believe that the auditor's report supports the fact that we have done so in a way that ensures accountability.

I thought it would be useful for this committee to hear some of the results to date. The most significant accomplishment is that key decisions around the management of people in the Ontario public service are the responsibility of all managers from first-line supervisors right up to the deputy minister.

That is an incredible change in the mindset of the Ontario public service where at one time it was not uncommon, if a Chairman of Management Board issued directives around people, for there to be a common assumption in the ministries that that was the director of human resources' problem and not one else's problem to deal with. Indeed, I think we are seeing that very type of change in the private sector where we now see some very important changes even in the titling of human resources. At Noranda, for example, the vice-president of human resources is not called the VP of human resources. He is responsible for human resources and strategic planning and is seen as part of a talent pool that is hopefully going to lead, in his case, to a chief executive officer position.

Traditionally, in defining management responsibilities government, like other employers, thought about financial planning, management, program planning and so on. Now what we are doing is recognizing that good human resource planning and management is also central to the management equation. Most organizations plan strategically around questions such as what business are we in, what are our products and services, how do we get there? Their workforce is typically only considered in terms of having the people to do the job once they know what the job is.

Strategies for Renewal clearly establishes that in the Ontario public service all ministries, deputies, managers, must think strategically and proactively about the workforce and the workplace. Workforce planning must be integrated with other forms of planning. After three years, and it took at least three years, this is beginning to happen. Ministries are strategically linking their financial information technology and business planning with their human resource planning.

1420

This year, during Management Board of Cabinet's estimates deliberations, there was a review of ministry program plans, financial plans and strategies for renewal plans. So I, as a deputy, this year went before the Chairman of Management Board and presented what I thought were my estimates needs. I had to ensure that my strategies for renewal, my workforce

planning, were included, and the commitments that I made were reviewed strenuously, not only by staff of both secretariats but by the cabinet ministers around the table.

Today all major in-year submissions to Management Board of Cabinet must include workforce impact statements linked to Strategies for Renewal plans. Let me give you an example: If a ministry is making an in-year submission and would be given, if the fiscal climate would permit, an increase in complement of 30 to accomplish a new program that the Legislature deemed necessary or important to provide to the public, it would be insufficient for that deputy to say, "Thank you for the 30 additional complement." One would have to know that they were not increasing layers, that they were meeting their employment equity objectives, that it was fitting into the way in which they were dealing with their French-language commitments or whatever.

Mr Cousens: What did you just say? You mean there were not extra people brought—just for clarification, Mr Chairman.

Dr Todres: If you are given an in-year adjustment—I am given an increase in complement this year, midyear. I have made a MB-20 submission, as we say in the lingo, and I am given an addition in complement, an addition in base. Whereas in the past the Management Board of Cabinet would have said: "Terrific. Here is your staff. Go and do it. This falls within the program guidelines, etc," this year what we are saying goes. Since Strategies for Renewal has come to be linked, that deputy has to demonstrate *ex post facto* that the use of those people, the utilization of those human resources, is meeting his or her commitments in Strategies for Renewal.

In concrete terms, let me use the example of francophone services to the public. If a ministry in another area at another point in time has said, "I have X designated positions that I require to meet Bill 8," and you have got 30 new staff, I would expect that deputy to make sure that the designated positions are being taken into account in those 30 positions so he would not come six months later or a year later and say: "Golly, I cannot make those commitments. I now need four additional staff to deal with another program." So it is integrating what you say you are going to do in program terms with the people whom you are actually getting and the resources that you have. Have I clarified that for you?

Mr Cousens: Yes.

Dr Todres: Ministry management reviews by the Chairman of Management Board are including a major focus on human resource management based on Strategies for Renewal plans. There have been many, many variations. Mr McCague did this as well. Where there are annual requirements, the deputies come in and demonstrate to the Chairman of Management Board that the ministry management is occurring according to the dictates of the board.

The Chairman of Management Board is asking at those meetings not only about financial plans, whether you are managing your resources and what you are doing with your internal audit reports, etc, but is asking: "What is the morale? What is the status of labour relations? What are you doing on your grievances? How are you managing your people? How many layers do you have? Are you starting to get delegation of authority down in the hands of the people who have the knowledge and who have the capability of making those kinds of decisions?" Deputies are beginning to get focused questions from the Chairman of Management Board during these annual

ministry management reviews based on the materials that they are getting from the plans that you have before you.

Executive performance contracts: All deputy ministers now have performance agreements with the Premier, through the Secretary of Cabinet, and that is now taken down through every layer, through the entire executive series. In those contracts all executives within the Ontario government are being measured in terms of their ability to manage human resources, because workforce and workplace issues are deemed to be extremely important in an organization meeting its mandate. All line managers are expected to participate in and commit to human resource priorities setting and implementation.

In terms of some quantitative results, I must confess that attainment of our objective to increase the proportion of youth from four per cent still continues to be challenging. We still have not substantially improved our percentage of youth working for the Ontario public service. As you know, demographically the under-25 group in Ontario is declining and the government is not always seen by the youth of today as a first-choice employer. Furthermore, approximately half of our current employees who are under the age of 25 just happen to be 24. So next year it is not going to look so good, or in two years.

Despite a lack of numeric increase in the percentage of those under age 25, Strategies for Renewal has had some significant results in this area. Many ministries have created new entry-level and training positions, ministries have become participants in and advocates of co-operative education and internship programs, and we are seeing much more outreach into campuses to try to bring young people and to activate their interest in public policy and public service.

Ministries have begun to study this issue to determine how we can attract more high school and more post-secondary graduates. What barriers to youth employment are there in our system? I must say, as I review the literature, there was a question on Monday, I believe, from Mr Leone about what is happening in other jurisdictions. This is a question that every civil service in North America and probably Europe is asking. The children of today are not entering the public service in the United States at the federal level, at the state level, as they did at one time; as they did among our age group when we were in university and considered it an option, whether it was at the political or bureaucratic level.

During the three-year period since 1986, turnover has increased—you will recall that it was quite low initially—to 8.9 per cent. This has provided greater opportunity in the Ontario public service to effect change. The increase can be attributed primarily to a solid economy, relatively low unemployment and the effect of the voluntary exit opportunities program, what we refer to as the VEO.

Ministries reported that they reallocated 20 per cent of the salary dollars freed up through VEO through innovations towards innovations. For example, instead of refilling vacated positions, ministries redesigned work, created entry-level training positions supportive of employment equity and youth objectives and/or directed dollars to education, training and development. Another positive effect of the VEO program was that in many cases ministries were moving from a vacancy-driven recruitment process—"Oops, there is a vacancy, now I can fill it"—to a more planned system which facilitates a more effective use of the flexibility provided by turnover.

As I said before, in 1986, the OPS was generally closed. We have made significant progress in turning that around. In 1986-87, 24 per cent of those hired were from outside the Ontario public service. We set a goal to increase this percentage to 30

per cent. In the first year this goal was exceeded; 31.3 per cent of new OPS appointments came from the general public. Although there was a slight decrease to just over 28 per cent in the last year, we are confident that ministries are continuing to develop recruitment strategies in order to make competitions more accessible to the general public.

Briefly on the point of layers of hierarchy, ministries are reviewing and reducing their hierarchical structures. Many ministries have examined their hierarchies very carefully with a focus on ensuring value for every layer. Some ministries have delayed already while others, including my own, are currently developing a new structure with fewer levels.

In 1986, there was a perception that there were too many managers in the OPS, and this came out of our own pay plan. We had an extensive conversation on classification systems on Monday at the committee, and we recalled that we have three sections of classification. There is an executive compensation plan, a management plan and a bargaining unit plan. Much of the discussion on Monday focused on the bargaining unit plan.

Within the MCP, which stands for the management compensation plan, that covers 20 per cent of our workforce, or 14,000 people. Most people assume from the title that if you are in the MCP you are a manager, and that would give us a ratio of one person in five being a manager. In fact, within the MCP we have a lot of diverse occupations. Yes, we have managers, but we also have policy analysts, lawyers, doctors, dentists, human resource officers, financial people. In fact, the MCP covers everyone who neither meets the criteria under our Crown Employees Collective Bargaining Act of a union person nor is an executive. That is the category of the MCP.

1430

When we unpacked it through Strategies for Renewal—we wanted to make sure that we knew who our managers were—we actually found that only 6.7 per cent of our workforce are managers as opposed to that original number I gave you of 20 per cent, a figure that indeed compares very well with the private sector, particularly when you realize the complexity of our workforce and its decentralized nature. Those are the results based on the issues identified in our first year.

Briefly, let me tell you what we have begun to do, because it is an evolving program that is asking different questions or is increasing its scope over time, and I will be very brief.

In the first year we focused on developing a base line so that we can compare all future results. So there was a lot of data-gathering in the first year, looking at the three Rs: revitalization, reshaping and redeployment.

In the second cycle we began to clearly identify what actions were required by ministries. What we did was integrate employment equity objectives for the executive and senior management compensation plan classifications. When we did that we said: "We are integrating employment equity into human resource planning. We will no longer have separate reporting, separate filing, separate processes. Employment equity is a subset of good human resource management."

Last summer the human resources senior policy committee approved a multi-year strategy for Strategies for Renewal. This included enhanced employment equity goals and timetables, and I welcome the opportunity, when we have questions, to discuss that with you in detail if the committee wishes. Ministries are required to submit comprehensive staffing plans, education, training and development strategies. There are occupational health and safety projects and initiatives around reshaping the workforce to assist in a better integration of work

and family, and we are increasing the focus on line manager accountability.

For 1991-92 an objective will be introduced concerning strategic management of labour-management relations. It is obvious, when you look at the kinds of things we have been asking ministries to look at, that the whole area of labour-management relations has not been touched on. This year, in the cycle for 1991-92, we believe it is extremely important to have the pulse of the health of labour-management relations at the ministry level and it will be included. We will also continue to enhance our employment equity framework and existing areas of commitment.

In conclusion, this program will ensure that we move closer to the vision for the future Ontario public service workforce recently published under *Strategies for Renewal*. This vision includes an efficient and effective workforce capable of delivering first-rate programs to the public; an organization that truly values its human resources by investing and reinvesting in its people; an employment leader with a workforce that mirrors the diversity of Ontario; an approach to work and decision-making that maximizes employee involvement and fosters increasing public accountability, and a union-management relationship that promotes partnerships and co-operation with the associations that represent employees while maintaining clear communication and dialogue between employees and the employer.

Before I say thank you, I would like to introduce to the members of the committee Debbie Oakley on my extreme right, who is the director of employment equity, and Lesley Lewis, whom you met on Monday, who is the director of strategic planning and special projects and who runs much of our *Strategies for Renewal* activity.

The Chair: We also have Jim Thomas here, the assistant deputy minister of labour relations. We welcome him back to the committee and to our deliberations.

Thank you, deputy minister, for a very interesting presentation. Certainly some of the material you have given to us is fairly detailed, particularly this purple book that has a considerable amount of information in it. I know we have a number of questions on this and some of the other matters that came from our last session with you. My list so far shows Mr Pouliot, Ms Poole and Mr Adams. Is there anyone else? Fine. We have at least five questioners to begin.

Mr Pouliot: Dr Todres and members of your panel, I too was impressed with your *Strategies for Renewal* and also the ongoing process to rejuvenate, not that it is so much needed at times, but to reflect what your strategies will be calling for in the future and to bring new people into the system.

Before I go on to, what is my pet subject, and you have guessed it, I will be dealing with grievance procedures and the cost of arbitration, etc, with the help of Mr Thomas, among others, I am sure.

How important is a component for rejuvenation of, let's say, the pension aspect? The reason I am asking is that we are only too aware of the importance of pension, if you wish, in regard to teachers. It is relatively recent. Have you done anything to encourage rejuvenation?

Dr Todres: Do you mean by that taking a look at new methods in the pension area?

Mr Pouliot: In your case, for instance, I know that for every year you put in as deputy minister counts for two years towards your pension.

Dr Todres: Yes.

Mr Pouliot: Have there been similar strategies?

Dr Todres: What we are looking at—and I think it is an extremely good question, if I could rephrase it—there are limits to pay policy, so are there other noncash methods of rewarding staff that the secretary is beginning to look at? The answer is yes.

At the bargaining table, and all of you appreciate that we cannot discuss in detail what is happening at the working conditions table, these kinds of subjects are raised in great detail with Jim and Mr Todd, who is the chief negotiator for the Ontario Public Service Employees Union. We are looking, hopefully, at the conclusion of a working conditions agreement shortly that will have some innovations.

For the other staff in the Ontario government, where we are not dealing in a bargaining situation, we are looking at what we are calling a total compensation approach. Normally, when we look at the pay of managers and executives we do what most organizations do. We do market studies and we see where we are in relationship to other groups. We are finding that we are losing a lot of ground on the benefits side, that there was a time when governments were considered to be leaders on this front. I have had quite a few visitations from, granted, vested interests, from those who are purveyors of plans, who are indicating to me what other employers are doing.

We conducted a survey, a number of years ago, of managers who would very much like to look at things like sabbatical years, more flexibility or what is called in the jargon "cafeteria approach to benefits," where you can choose. If you are a young person, you may prefer a child care voucher more than, say, you would life insurance, etc. We are beginning to look at it and, of course, coming from the Management Board of Cabinet, we will have to look at the costing of it.

The answer is that we are looking at a total compensation project, headed out of Jim's division at the moment, that is going to be asking many of the questions that you are implying. We will have to see what the position of employer is at the end of the day.

Mr Pouliot: I want just briefly to enlarge on that. That kind of approach never ceases to intrigue me. I just want you to help me focus, if you will kindly do so. When you say you are losing ground, for instance, I would be right in assuming that you would take a look at your mandate, your responsibilities, what they entail and go outside, which is the private sector. Am I right so far? Is that correct or incorrect?

Dr Todres: What do you mean when you say "go outside"?

Mr Pouliot: I am asking you, what do you mean when you say "losing ground"? Whom are you comparing with vis-à-vis what?

Dr Todres: Vis-à-vis municipalities, vis-à-vis employers—

Mr Pouliot: Federal?

Dr Todres: —in the Toronto area where most of our staff work, in the Golden Horseshoe.

The Chair: Corporations.

Dr Todres: Corporations as well.

Ms Lewis: But not vis-à-vis the federal government which you mentioned. We have more use than they do.

Mr Pouliot: This is a career-enhancing statement. Not vis-à-vis the competitor, if you wish, the other large employer. Is this chase-the-top-dog? I want to know whom you are comparing with to arrive at your data.

Where I worked before being elected we would compare with our peers. Of course, it was a smaller arena, I agree. Our terms of reference were rather simple. We did not have to envisage the complexities that your mandate entails. We went to other mines and said, "Let's see what bargaining and nonbargaining." They were pretty well identical. If you do not follow suit and you have demonstrated the ability to pay, you will have the union there tomorrow. In our case it was easy but nevertheless, yes, we did compare with our own jurisdiction.

What I am asking you is, on what do you base your statement that you are falling behind? Falling behind whom? You said the federal government, which to me would be a natural competitor, is bypassed. Is it because they pay less?

1440

Dr Todres: Yes. Are you speaking now on the compensation side?

Mr Pouliot: No, I am speaking on the fringe package that you have mentioned.

Dr Todres: Oh, on the fringe package.

We take a look at the federal government. We look at governments. We look at municipalities. We look at crown corporations, strictly speaking, on the pay side. Occasionally we look at private sector employers, depending on the nature of the jobs, because we have some jobs—not that many people hire nuclear physicists any more—we have divers who literally dive in the water, who work for the Ministry of Labour. So we have lots of jobs for which there are not automatic comparisons in the municipalities, for example.

We try to find those selected jobs with which you can make a comparison, and what we have found—I do not have the figures with me but if you are interested, we will pursue it for you—I know of a senior person in the Ontario government who left recently to work for a municipality, left one job for a job with smaller scope, and his pay was \$50,000 more than his salary in the Ontario government.

Why this is important is that in the greater Toronto area employers are all searching from the same labour pool. Because of the cost of housing in Ontario, in the GTA, it is usually unlikely that you are going to find somebody from far away who is going to want to come here. So we are all competing for exactly the same people. That is why a lot of corporations are beginning to look at their benefits packages, not just their pay packages, as a form of attraction for future employees.

Mr Pouliot: Where I live we do echo the same sentiment. I can assure you that daily we sympathize with the plight of the people who live around the GTA. It is reported to us, for instance—I do not want to paint the proverbial—but more and more so—

Interjection.

Mr Pouliot: No, it is going to become perennial if not residual. People will say, "If this is my last promotion," if we can hypothetically paint someone who lives in northern Ontario, or west or east, and has to contemplate a promotion, but a promotion that costs a great deal of money, I am going to tell you, the future does not look well to be able to attract people, to expect performance, to attract the people who will fill your

mandate, on the wages and benefits that are needed to live in the GTA, in southern Ontario.

I am appalled and shocked. It costs a lot of money to live here. Unless you are a cabinet minister, in our field, or a parliamentary assistant, it is more and more difficult. I pity the plight of people, for instance, who were in the restaurant business before and to serve their community opted to leave the restaurant business and get a seat at Queen's Park. How are we doing, Bill?

Mr Ballinger: Quit looking at me.

Mr Pouliot: It must hit in the pocketbook.

I want to go briefly to grievance procedure and the cost of arbitration. The last time was when you were here most recently. The committee was painted a picture of desolation, because we looked at—that demands further questions or further clarification, if I may. The workforce of approximately 55,000 people, which is massive, voluminous by any standards, in that workforce you had a reflection of some 4,600 grievances, 4,600 people in the collective bargaining unit who said, "In my opinion, the collective agreement has been violated."

Could you indicate to the committee whether there is—you know, 4,600 by any standards is not a figure that would be tolerated in the private sector—if you had a company, Boeing aircraft, which has more, if you had 55,000 employees and you had 4,600 grievances, you as the manager would certainly call in your human resources, your personnel office and say, "What is going on here?"

Dr Todres: Yes.

Mr Pouliot: Do you have any class action to reflect that astronomical figure?

Dr Todres: I would like to give an answer to that question in particular, to set, just for two minutes, context, and then Mr Thomas has some more details for you. I think the first thing that is extremely important for all of us to bear in mind is that we are the only employer I am aware of that permits classification grievances. There is no other employer I know that permits a bargaining unit person to grieve about the nature of his or her classification. I simply do not know another case.

Of the 4,600 grievances that we have, it is astounding to note, and very important to note, that the greater majority of them are classification grievances, 3,500 of which are office administrative group grievances. I am going to ask Jim in particular to give you some commentary on what has been happening, because you asked that question on Monday with respect to how we are going to be handling that.

It is an apples-and-oranges case you have set for us, with respect, and that is, if you were to delete classification grievances from the numbers and then ask me, as the executive vice-president of human resources for this corporation, whether I would be concerned about the number of grievances relative to 55,000 staff, my answer would be, "Not at all."

The second point that I wanted to make, in terms of a brief overview—because we have gone over the material of grievances and I knew from Monday's meeting that we wanted to go over this ground one more time today—we agreed with the recommendation of the Provincial Auditor. The recommendation of the Provincial Auditor was that we needed more central control of important grievances. To deal with that, we have established an interministerial task force that is going to respond to that issue as well as the issue of overreliance on outside counsel. We are looking for policies, procedures and

guidelines for processes that are going to be developed and we have made a commitment that within six to eight months we will have those.

On the other more generic issue of central monitoring and reporting of grievances, which was also discussed at some length: on Monday, we have said to you that our response is that we have audit guidelines for dispute resolution and we have brought copies of those for you today to review them. We have attempted to address other concerns about the level of grievance activity, which is Mr Pouliot's point now. There are real limitations to our ability to help you with those concerns, because the function is highly decentralized. Except for better co-ordination, and I stress this, of important grievances and precedential grievances, it is going to remain highly decentralized.

What I would like then with respect to answering your question is to ask Jim to review the OAG, the office administration group, which is 3,500 of the 4,600 cases you mentioned.

Mr Pouliot: That is just part of the reason for my question, Dr Todres.

Mr Thomas: I think that last part of your question is the important part, because you would be right, sir, that if there were not a class action in there, we would have a problem. I think that is what the classification grievances represent. They represent a class action. For example, within the 3,500 OAG grievances, I believe somebody asked the question, "What is the nature of the dispute within those? Can you wrap it up into a handful of issues that constitute the vast majority of the OAG grievances?" I can give you the following background but I do not have the exact numbers of grievances within each group because, when the grievor under OAG grieved, he—or more likely she, because OAG is a largely female job class—most of them simply said, "I grieve that I have been wrongly classified."

So part of the problem we are having with the 3,500 grievances is just trying to figure out, "What did you think was wrong with it?" For instance, a number of people, we think, are unhappy with the way in which we have factored in or not factored in keyboard skills, computer skills. The second one would be second-language use on the job, for example, sign language or ad hoc requests for interpreting in a second language.

There has been red-circling, which is putting a person on hold because he or she has gone beyond the top of his or her category, for very small amounts and short periods of time, especially at the time that we actually did the conversion. There is an anniversary dates issue, and I could go on, but there are about half a dozen issues that would constitute the majority, and that is also true of the 400 other non-OAG-classification grievances. They tend to be class action ones in which they represent a number of people.

Interjection.

1450

Mr Thomas: They are not interpretative, no. The fact and interpretative ones amount to about 700 in the backlog, and that is the number that I am saying is a reasonable number for the government of 55,000 people to be having. So the desolation, if I can use the word that you used—first of all, I think that is perhaps overstating it—but the problem is a problem of the classification system, which we have addressed before at length.

That is an important problem, I think, if we are going to have a new bargaining unit system because, unless we find another method of dispute resolution—I am not saying there should not be one for a minute—but the one we have, unless we find a better one than what we have now, we may continue to have the same kinds of levels of classification arbitrations. I think that is something we would all like to work on to find a way out of it. I do not have an answer today as to how we get out of it. The committee that is looking at the overhaul of the bargaining unit system has that as part of its mandate.

Ms Poole: I will try to be very brief. When you were talking about the vast majority of grievances that were related to classification problems, I just want to make sure that I was on the right wavelength and that I interpreted correctly what you said on Monday about the classification system.

The auditor was critical of the fact that many of the classifications were outdated, outmoded and should be brought up to scratch. My impression, from what you said, was that the difficulty is that you cannot unilaterally change the classification system, that it was really part of the collective bargaining. Is that correct? I just want to make sure, as far as trying to change the classification system is concerned, so that we can reduce and eliminate many of these grievances. I am trying to get a handle on how you go about it.

Mr Thomas: You are essentially correct in your statement that it is not part of the collective agreement but it is part of a bargaining process. The job evaluation system is one of the heads of issues that must be bargained with the union, so that if we want to go to a new system, we must negotiate it. That is what we did with OAG back in the mid-1980s, in order to move to something better. Until we do, we are going to have the continuing high level of classification grievances. But until we get there, we are going to have to find some way to work as quickly as we can with the union to come up with something better. I think that is probably a several-years process, and that is a conservative estimate.

Ms Poole: So the union will be a key player in trying to reduce the grievances?

Mr Thomas: Yes.

Mr Pouliot: If it is rare, Dr Todres, to find a collective bargaining agreement which allows the classification clause to be grieved, if you wish, would you agree with me that it is equally rare to find a collective agreement where an employer would pay 100 per cent of the costs of arbitration?

Dr Todres: Yes, both would require extensive negotiation to alter.

Mr Pouliot: I was not aware when it went to—I thought we were on our own; we had chosen to part in the climate of negotiations. When it came to the arbitration process, we went our different routes and it is readily acquiesced in the bargaining process. In fact, in most instances you would not in your wildest dreams come to the negotiating table with that proposal as part of even your initial package, albeit that you will discard it. You would not even dream about it.

You and I go to the track, Dr Todres. You bet about \$100 a race. You pay for the bet. I win 40 per cent of the time. You always pay \$100 every race; it does not cost me a penny. Tell me, am I a winner or am I a loser?

Dr Todres: If you are arguing that the union ought to be considering 50 per cent cost-sharing, I would not disagree with the point you made.

Mr Pouliot: No. The thing is you are winning 60 per cent of the grievances but you are paying 100 per cent of the cost at every grievance.

Dr Todres: Yes.

Mr Pouliot: I am very pleased. I feel refreshed with the 3,500 class actions, thank heaven, which leads to my following question. We are basically aware of the cost of arbitration, of bringing one case to arbitration.

But what surprises me—notwithstanding the volume; we have dealt with this and personally I am quite satisfied—is, if precedent, which plays a very large role in arbitration and people on the panel will go—well, you should be telling me; I am sure you are more aware than I am, for good reasons, Mr Thomas—they will establish precedent, especially in those “obscure” grievances that happen from time to time—those are individual grievances—and if they can find a precedent, there is a good chance that their award—I mean, they will give you four pages telling you that you are right but one paragraph telling you why your grievance is denied.

If I were an employer, if I saw four or five precedents, not one, like my colleague Mr Kormos said, I would say: “Let’s face it. Let’s fold here.” We would at least avoid the costs of an arbitrator. You know what I am saying. Because if the precedent has been established on, let’s say, a classification or outside the classification clause or provision, if you wish, in your agreement—if you lose five in a row, if you lose the first five for the same reason and you go to the well one more time, you are just spending taxpayers’ money. Or do you dig in your heels and say, “We’re going to hit it one more time”?

Remember, in this case you are paying 100 per cent of the costs, win or lose. So the only way you are going to save money is by not going to arbitration. I have the federal record here of the ratio of win and lose. This one does not do very well.

Dr Todres: Net of classification.

Mr Pouliot: That is a good point. I will take that. Maybe if they do not incorporate classification—but when I read this this morning, I said, “Oh, their records are substantially better, the win-lose records.” Maybe they are more choosy, if you wish. Maybe they are more analytical. Maybe they have a system in place to weigh the grievances before they go one step further. Maybe what they have is a comprehensive clause in all collective agreements, and they do it as a matter of policy, whereby employees—I am talking about people in the bargaining unit—are encouraged to settle differences outside the grievance procedure and they devote a full—not only “du verbiage,” but they mean what they say plus they have a mechanism which is a mechanism parallel to the grievance procedure in the collective agreement.

I am just wondering, in terms of screening, in terms of parallel proposals in the collective agreement, whether you are satisfied that every effort has been made to be expedient—fair, of course—and to minimize the cost to the taxpayers. Where do you see your departments or your responsibilities going in the near future to alleviate this kind of endeavour? That is my last question.

Mr Thomas: I think there are number of ways to approach that. First of all, if I look at what was central to the auditor’s report, to which we already agreed, it is that we needed to do

more to co-ordinate from a central base those grievances that require corporate consistency, the big and important ones, big in the sense of language and big in the sense of policy interpretation and precedent. I do not think the auditor commented on the issue of what the Human Resources Secretariat ought to be doing to reduce the level or volume of grievances.

1500

It is a very good question, Mr Pouliot, but when you ask, “What do you think the role ought to be of the Human Resources Secretariat?” I think that is an even better question in respect of what we can do about reducing the level of grievances. We have worked very hard with the union and the union has worked very hard with us, for example, to find a way to expedite the office administration group grievances.

I am very, very pleased that we have signed an agreement—and I have copies of it here if anyone wishes to look of it—with OPSEU, which is not going to reduce the level—there are still 3,500 grievances there—but may very well make sure that they get dealt with very quickly.

That is one thing that HRS can do and is doing to look for ways to go for expedited processes. I think there are opportunities to look for expedited processes in a more general sense, going beyond OAG. OAG may be the cutting edge, the leading edge, of how we start to do more of that. The problem is that grievors do not like expedited processes because they tend to have the appearance anyhow of possibly taking away a full and fair hearing. There is a real issue here about how you put in place an expedited process. I think that is another issue.

On the point of the screen, I think there is always room for ministries. I think this is a ministry issue and that is what our human resource audit is aimed at. I also have copies of that, which I would like to leave with you. The human resource audit guidelines are aimed at trying to make sure that ministries do the kind of screening and review that you are suggesting be done, to make sure they are doing what they can to resolve grievances at stage 1 and stage 2. That is a process that I think and we think is properly at the ministry level, because they are the ones who are responsible for making the decision whether to go forward or not. That is not something you or we would want HRS to be making the call on.

I would be pleased to hand out copies of the labour audit guide because I think there are parts in there, if I could just take two minutes on it, that might be of some assistance, and also the memorandum of agreement, if you wish. That would give you some idea of what the expedited process with the OAG grievances looks like. Could I do that?

The Chair: That might be useful. If you would be kind enough to just hand them to our clerk, I am sure that she can get them out.

Dr Todres: As the items are being distributed, I thought I might just link Mr Pouliot’s question to the earlier subject we were talking about, which was Strategies for Renewal. I think most of us know that a grievance is not necessarily a function of the issue that is placed on the paper. Grievances can be a function of poor labour-management relations which have nothing to do with the issue at stake. So to tie this to the Strategies for Renewal document that we were discussing earlier—there were a number of questions on that point—we are attempting through Strategies for Renewal to focus on empowering staff in getting people to get involved in decision-making with the supervisors at the lower levels. Improving workplace conditions

and improving your place in the ministry I hope in time will see a reduction of nonclassification types of grievances.

The Chair: We are about to receive everything. I think it may take a couple of minutes, but if you would like to just speak to the highlights, Mr Thomas, the members would be interested.

Mr Thomas: I would like to just speak to it. Let me give you the highlights.

I have handed out the tab of the position of the labour relations audit guideline that covers a number of areas and I am going to limit and restrict my comments to the part that deals with grievances.

Again, I am going through the labour relations audit guideline. On page 3 of the document there is a description of what is involved with respect to auditing dispute resolution. It is the dispute resolution that we are talking about today. There are lots of other parts that would be of interest, but it is auditing the dispute resolution that I think is of interest. Page 3 is a summary of what would be audited and what would be entailed in it, identifying the problem, etc.

If you go over to page 6 of the audit guideline, there is more detail around the dispute resolution criterion. That becomes criterion 3. It says, "The grievance and arbitration process should be utilized as a tool for the timely, efficient and effective disposition of disputes." That is what we are telling auditors to use as the criterion when they go to determine whether a ministry has done it right and as well as it can.

There are a number of subpoints that, again, I will not take you through; you can certainly look at those on your own.

If I could turn you to some of the questions, those with respect to dispute resolution begin on page 14. Just looking at the first question on page 14, "Before accepting a written grievance, do line managers discuss the complaint with the employee to ensure an understanding of the specific nature and circumstances of the complaint?"—you can go on through that. I think you are going to see that what this is aimed at doing is ensuring that at a ministry level the auditor has made it his or her point to find out whether or not ministries have done a good job at stage 1 and stage 2.

There is even a section at the end about time limits and whether or not they have the proper information, which is on page 18. "Do the ministry's human resources administrators compile information on dispute activity and trends within the ministry?" I think probably a lot needs to be done here, and as more is done here and as this audit guideline begins to have its impact, it will address the concerns that you have with respect to the employer while leaving unanswered the concerns that might equally exist with respect to whether there are reasonable screens on both sides to make sure that everyone is doing what he can to minimize grievance activity. I think that is the role the Human Resources Secretariat can play.

With respect to the other document I handed out, the memorandum of agreement, I simply want to give you three or four highlights of what I think are the important parts of this expedited process.

The procedure establishes a board of arbitration dedicated solely to the resolution of OAG grievances. The hearings are to proceed on the basis of agreed facts with minimal testimony—these are again these grievances dealing with keyboard skills and the class action ones—written submissions and a full exchange of positions prior to the hearings. The parties are to proceed on the basis of representative grievances where possible. One represents a group. Decision on one would bind the

other grievances in the group. Where the parties cannot agree on what is a representative grievance, the board has the power to consolidate.

The intent is to use the decisions that come up as they come as a basis for settling outstanding grievances. Neither party can use outside counsel. Decisions are not to have precedential value outside of a group of them. The parties are targeting mid to late April to commence the hearings.

At this time the amount of time required to clear up the grievances is unknown, but I really believe this is a process that both parties believe will come to grips with what has been a very troubling issue over the past few years.

1510

The Chair: This is certainly an interesting document you have tabled with us. I gather that you have had four internal audits using this so far. Is that correct? Can you share with us the results of that, or is that—

Mr Thomas: I do not have the information, but I can get it for you. I do not have the information as to who has been audited on the labour relations—

The Chair: Your managers are aware of what they are going to be audited on. They have these documents.

Mr Thomas: Yes.

The Chair: So the very process of having these documents must be a training tool in itself, if you like.

Mr Thomas: We have a similar one for position administration. So I think the same thing that I have said with respect to using the audit guideline to monitor the grievance scheme is equally applicable to using the audit guideline to monitor the classification issues that the auditor made reference to. But I could undertake to attempt to find information as to what has happened with respect to the internal audit guidelines. I do not have that information for you with me this afternoon. I am sorry.

The Chair: In fairness to you, it may take more than one audit. The very exercise of the audit will act as a training tool to your managers, and you may not expect the results until the second or third audit, once they have had experience as to what they are being evaluated on and where the problem areas are.

Dr Todres: Exactly, and in our conversations with the Office of the Provincial Auditor, they are anticipating that it is going to take a number of years for this to become internalized. We spent a lot of time training the auditors themselves. So we are seeing teams now of human resource people and internal auditors who are beginning to explore areas together that normally did not bring them in the same room, and there has been a lot of negotiation about the lines of inquiry and the specific words and maintaining the integrity of an auditing approach and maintaining the methodological requirements of a good audit.

The Chair: Very good. Thank you. Are you finished, Ms Poole?

Ms Poole: Just before I go on to a couple of questions I had about the Strategies for Renewal, I did have a follow-up to Mr Pouliot's line of questioning about comparing with the federal government grievances. According to the research that we have received, there are not any official statistics, but the current ratio is estimated to be 70-30 in favour of the federal government. I think you told us on Monday that our ratio would

be approximately 60-40, but you made an important point today in that the federal government does not include classification grievances. Would it be your estimate—and I again say “estimate”; I know you would not have this information at the tips of your fingers—that if we took out the classification factor in our grievances, our statistics would compare very favourably with the federal government’s?

Mr Thomas: Very much so.

Ms Poole: So you would find our statistics would be quite in line with theirs.

Mr Thomas: Yes, I do.

Ms Poole: Okay, thank you. I was just glancing through this labour relations audit guide and I think it will be very helpful to us.

I would like to focus on a slightly different area of the strategies for renewal. I gather the R words are in with our government these days. We have the four Rs of the environment: Reduce, reuse, recycle, reclaim. Now we have got the three Rs of human resources: Revitalize, reshape and redeploy.

Mr Adams: Reading, writing and rhetoric.

Ms Poole: That is right: reading, writing and rhetoric. Those are the three Rs of politics.

That was just a bit of preamble. I would like to go to a couple of the auditor’s conclusions. When I have been reading through the Strategies for Renewal, the auditor’s comments seemed fairly favourable. There is a note of caution in there, but I would like to read two conclusions and then ask for your comments in relation to employment equity.

The first conclusion was that: “The secretariat was adequately monitoring the ministries’ performance against program objectives. There was significant improvement in the quality of information provided to the secretariat in the second year of the initiative.” So it appears that that section of it certainly is well under control.

The second point, though, that the auditor made was that, “The ultimate success of the Strategies for Renewal program depends on the co-operation of all ministries and the ability of the secretariat to clearly demonstrate the need for government-wide workforce initiatives.” I think that is the caution right there.

I would like to ask how the secretariat is demonstrating the need for these initiatives. I would particularly like you to focus on employment equity and what the secretariat is doing in this line and describe some of your initiatives that might convince our ministries that it is necessary to go this route.

Dr Todres: It starts, I suppose, with the Premier, who has made it clear at every formal and informal gathering of his deputy ministers that he expects nothing short of a representative executive and management cadre for the government’s civil service. That is reflected in the deputy ministers’ contracts and that is discussed at length with the Secretary of Cabinet before we receive our pay. That seems to have a salutary effect on deputy ministers’ receptivity to employment equity.

Mr Pouliot: It is the same with politicians.

Dr Todres: Yes. It seems to be a very good—the message is made very, very plain by the Premier. The message from the Secretary of Cabinet is reinforced at all the deputy minister council meetings. I sit, as many of you know, on what is called the executive development committee, chaired by the Secretary

of Cabinet. I am the vice-chair, which is responsible, in its largest sense—this is the old senior appointments committee—for succession planning. All appointments at the senior level are screened against our employment equity goals and timetables.

In terms of what we are specifically doing—and we are fortunate in having Debbie Oakley with us, who is one of the many experts around on employment equity—we started with a survey to find out what our database was. That was in 1986. We took another profile in 1989 to see where we were. It is impossible to measure unless you know what the baseline is. We have established goals and timetables, as I mentioned to you I think briefly on Monday, that are long-term in nature. Each ministry is formulating what it is going to be doing on goals and timetables.

We have a \$23.5-million incentive fund. This year \$1 million has been allocated to deal essentially with the area of disability, and ministries have already applied. In fact, the funds have been disbursed to give physical aids to employees who require them in order to do their work. That money is out, and Debbie—and you may wish to ask her the question, Ms Poole—is going to be looking at what the incentive fund, over the next number of years, is going to be highlighting.

We have reviewed all of our staffing policies to make sure that they are systemically neutral and that there is neither gender bias nor any other form of bias included in what we might have thought in the old days was a neutral policy. What do I mean by that? I mean job interviewing, advertising, some of the most basic forms when you actually employ somebody, secondment agreements. It is extremely important for members of employment equity groups to be able to move around to get secondment so that they can fill in the blanks on their résumé to round out their experience. We do not want situations where their immediate bosses can say, “No, you cannot take that secondment.” That may not have seemed to be a systemic barrier, but it in fact has proved to be a systemic barrier. So we are scrubbing up all of our staffing policies to ensure that they are systemically neutral. We are looking at employment systems, job accommodation, workplace harassment. We just introduced a very, very strong antisexual harassment policy, and we will be working on the issue of personal harassment and racial harassment.

This is not to say that the government in the past has not dealt with these. So to be fair to those who worked on these things in the past, we did have those procedures in place, but these are awkward subjects for both employers and supervisors to deal with. We are finding that we need new ways to come to grips with them, and they require quite a bit of education and training, for any of you who have had any experience in that particular area.

1520

In addition, we have been doing a lot of outside consultation. Mr Curling, I believe, asked on Monday some questions about attitude and so on. We are doing a lot of regional training sessions. Most of the action is not here. Most of our staff work outside Toronto.

We are trying to operationalize employment equity: What does it really mean? How does it affect the way I hire, the way I treat staff, the atmosphere in my office and so on?

We have an outreach recruitment directory that includes all the sorts of places that you might want to phone if you are interested, for example, in hiring the disabled, and where you might want to place ads to make sure you reach members of target groups who might not necessarily be reading the *Globe*

and Mail or the Toronto Star. We have quite an aggressive program in terms of ethnic advertising and that sort of thing in the community papers.

We are looking at communication media in terms of a video that is going to go out that people can use. We are a large employer, and large employers do these kinds of things. They have videos; they have the CEO in charge going out, deliberating, getting the message out. All of you have heard of examples of a bank when it is coming in with customer quality or whatever the strategic focus of the corporation is, and it just goes across the entire nation. Everybody is being trained.

We are looking at annual reports and ongoing training events. Also, Debbie and I spend a fair amount of time with lobby groups on the outside that want to get involved in the definitions. For example, we had a year of negotiations with external groups on what "disabled" means. What does "a visible minority" mean? How are we going to use it? Is it the same terminology as the federal government uses? Is it the same terminology as Metropolitan Toronto or the city of Toronto uses in their employment equity programs? So we are spending quite a lot of time with external groups and we have set up a number of advisory committees with all of the directorates that have special interest in this area and with the Ministry of Citizenship, which is taking a lead role on employment equity.

There is a lot of action going on right now.

Ms Poole: I am really pleased to hear that. Certainly, from the top level, we can see that there has been quite a success. Just on this committee in the last week, we have had Valerie Gibbons from the Ministry of Community and Social Services, Pat Jacobsen from the Ministry of Transportation, Sheila Henriksen from the Ontario Board of Parole and yourself, and it is really encouraging to see so many women in top positions.

That concludes my line of questioning.

Mr Adams: I do not want to prolong this, particularly now, to be honest. What I was going to talk about was the Strategies for Renewal in your presentation, a good part of which I missed, but I have read the material here very carefully.

If I might be frank, you are much better on employment equity than on strategies for renewal in general. What concerned me before I came in, and I know the secretariat has to bureaucratize and operationalize things and I know you have to reduce it to this kind of thing, so what I was looking for, and we just got it for employment equity and I was delighted with that, was some sense that the secretariat was sort of emotionally involved in this.

As someone who was elected only in 1987, to be honest I have been pleasantly surprised with my contacts with the Ontario public service. I think it has done an enormous amount we can be proud of. The people whom I deal with, both here and in the field, I have been very impressed with.

They have a problem with external image, that is one thing, and I think they have something of a morale problem. Although I was concerned about the statistics in this 1986 document, I am pleased to see the changes in your ratios and so on here, and I see you have some way to go with it. What I would like to see is a real boost in morale—that is the only way I could describe it—in the public service so that it starts to feel really proud of the things it is doing well, as well as worrying and making graphs about the things it is doing less well. That would be my comment. If there is a reply, feel free.

Dr Todres: I can only give you an emotional reply, so I will give you an emotional and anecdotal reply.

I agree with what you are saying. The federal government currently is involved. They actually commissioned, as some of you may know, a number of academics to do some studies on morale. The results are devastating. There are very serious morale problems leading to what is called the Public Service 2000 review.

I do not believe we are in the situation that the federal government faces, but your issue of pride I think is a good one. I just want to report to the members of the committee about the one thing that we are doing and that the new secretary of cabinet, Mr Barnes, is doing. I think it is being received extremely well by the civil service. When he was first interviewed on his new appointment, he said: "One of my objectives is to develop pride of place. I am proud to be a civil servant. I chose to be a civil servant."

One of the things that we do, and I am sure you are aware of this, is we have a program called Executive Dialogue, where my staff prepare a program. There is a lot of involvement from field staff. We go to nine locations around the province—some of them may be in your ridings—and we meet with all of the executives once a year. The idea is essentially to repeat the values and the commitments of the Premier, the government commitments, whether it is to environment or to a competitive economy or whatever. There is always a section where the staff, the executives who are out in Kingston or wherever it is, Thunder Bay, Sudbury, are actually feeding in their concerns, many of which are local: "How am I going to deal with the particular problems of head office?" and so on.

At those meetings, Mr Barnes spends a great deal of time talking about pride and making exactly the point you are: Yes, we have workload problems and we all know what the issues are these days on the public policy agenda, but people should stand up, be proud and say that they are doing it. It is interesting to watch the posture response when that point is made. I think people are beginning to talk in those terms. It requires a tremendous amount of support from subordinates, from managers to thank their staff, from ministers to thank staff when things have gone well, from the Legislature to recognize when a job is well done and so on.

The larger questions of how we affect the external relations or the external view of government, and I mean government with a capital G, is something that all of us are struggling with, but I could not agree with you more.

Mr Adams: I think it would be a great point to end on.

The Chair: I do not want to do that because I have a number of people who are your colleagues who want to question.

Mr Adams: It was just a suggestion.

Ms Poole: We can agree to end Mr Adams on that note.

Mr McCague: On page 14 of your Strategies for Renewal, the chart gives the representation in the Ontario public service at the present time, the chart here of aboriginal persons, persons with disabilities, on and on. That chart is a present-day chart, correct?

Dr Todres: Yes.

Mr McCague: Then I have to go to page 17 to get the goal that you have by the year 2000. Is that correct?

Dr Todres: Yes.

Mr McCague: For instance, in the area of persons with disabilities, you are wishing to go from 7.4 per cent to 8 per cent. That does not seem like a lot in a dozen years. Where am I wrong?

Ms Lewis: The 7.4 per cent is the proportion in the Ontario population right now. On page 14, if you go to the next column, it says what the current representation level is in the OPS.

Mr McCague: Okay, got it. So you are looking to have some improvement.

A few more short questions: Is the voluntary retirement option still available?

Dr Todres: It is available until 31 March of this calendar year.

Mr McCague: Is extending it being considered?

Dr Todres: No.

Mr McCague: What is the rate of attrition in the OPS?

Mr Ballinger: Are you thinking of retiring?

Mr McCague: Yes, I am. I am not waiting for the voluntary option.

1530

Ms Lewis: Our turnover rate most recently is at about 8.9 per cent. Some of that will go down again, probably to about the seven per cent level.

Mr McCague: Attrition of 8.9 per cent?

Ms Lewis: Seven to 7.5 per cent would be normal, what we would expect. It will depend on economic circumstances. That has a great influence on turnover rate.

Mr McCague: You do not have to answer this. The numbers in the OPS have gone up 7,000, 8,000 or 9,000?

Dr Todres: They have gone up. I honestly do not recall by how many thousand.

Mr McCague: There is not much chance that I am too high, even with the low. However, you have a lot of hirings to work with in order to meet your goals of 10 years hence.

Dr Todres: Yes.

Mr McCague: If you go then to your table on page 5 of Strategies for Renewal, it looks as if your goals for the senior levels over three years are as ambitious as your OPS over 10 years. Is that right?

Ms Oakley: We have a larger task, in our opinion, at this time at the more senior levels in the organizations, so that we are attempting to make some real strides in the first three years of planning to see some changes occur in that area.

Dr Todres: I think the other response to it, Mr McCague, is that in order to make substantial strides in the bargaining unit there will have to be some employment equity considerations contained in the collective agreement, since many of the hiring conditions and so on are actually contained in our rules and procedures with respect to collective bargaining. That is something we are going to have to spend a fair amount of time on with the union. This is a subject that I know you are very familiar with. We are hoping to see some positive changes in future bargaining rounds with the union on employment equity.

Mr McCague: I notice that in the Planning for People document on the last page—it is probably a good idea that Mr Pouliot is not here.

The Chair: The rule is that you do not refer to people who are not here. You and I have been elected a long time and know that rule.

Mr McCague: I will read this: "Dollars may be transferred to DOE to fund existing or proposed alternative delivery mechanisms. Example: fee for service, contracting out and privatization."

Have hirings been frozen at the current civil service level, the total civil service level?

Dr Todres: Has a freeze been imposed? No.

Mr McCague: Have the dollars been frozen?

Dr Todres: No, dollars have not been frozen, but allocations have been given that are less in the bargaining unit than the settlements.

Mr McCague: The dollars that when given are less than the bargaining unit settlements?

Dr Todres: But there have been no freezes on hiring.

Mr McCague: Just to pursue that, normally the dollars for settlements would come from the contingency fund directly to the ministry. How do you then mean that the dollars are not as much as the union settlements, the bargaining unit settlements?

Mr Thomas: There is no contingency fund. Therefore, it is left up to a ministry to manage the shortfall between the amount that is allocated to it and the amount that it ultimately has to increase its payroll by in order to cover that difference. It is left at the ministry level. There is not a contingency fund as there has been in the past. If I recall correctly, it was either last year or the year before, within the last two years, that the contingency fund has disappeared and now ministries are required to find the difference between what is allocated and what the settlements are or indeed what we end up increasing the management compensation plan and executive compensation plan salaries by.

Dr Todres: That means that, de facto, ministries may be looking very carefully at their vacancies, their turnovers and the manner in which they are controlling their salaries and wages.

Mr McCague: So it would appear that you are using that method to reduce the size of the civil service or that that method is being used to reduce the size of the civil service.

Dr Todres: All I can comment on is that the issues are determined between the Treasurer and Management Board as to the disposition of the resources. The consequences might be some reductions in staff, but I cannot comment on whether that is the first-order question.

Mr McCague: But your comments apply to the fiscal year ending 31 March?

Dr Todres: That is correct.

The Chair: We want to thank you for appearing before us again. I think it has been very useful this afternoon. The labour relations audit guide is something that certainly seems to me, as a former manager, to be a constructive, useful tool. I think the internal audits themselves, if they are done properly, can be used as training vehicles, not just as ways of finding out what is

going wrong. It may take more than one audit before you actually see results, and we recognize that, but I appreciate the fact that you seem to be trying to deal with the problem and I think the members do appreciate that. We appreciate the very detailed information that you have provided this afternoon. I think it is important to this committee that we get specifics of exactly what is going on. We wish you good luck in your attempts to meet the auditor's concerns and to meet the concerns of this committee.

Dr Todres: Thank you very much for the opportunity to be here.

The Chair: The committee has been provided with a tentative agenda. The one thing that I think has been agreed to is the 29 March meeting. The other items are subject to the availability of deputy ministers and of our auditor and his staff.

Mr Ballinger: And the chair.

The Chair: And the chair. The chair is always available—most of the time.

The committee adjourned at 1538.

CONTENTS

Thursday 8 March 1990

| | |
|---|-------|
| Annual Report, Provincial Auditor, 1989: Human Resources Secretariat | P-273 |
| Adjournment | P-284 |

STANDING COMMITTEE ON PUBLIC ACCOUNTS

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Legislative Assembly of Ontario

Second Session, 34th Parliament

Assemblée législative de l'Ontario

Deuxième session, 34^e législature

Official Report of Debates (Hansard)

Thursday 29 March 1990

Journal des débats (Hansard)

Le jeudi 29 mars 1990

Standing Committee on Public Accounts

Comité permanent des comptes publics

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Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste des membres du comité et des autres députés ayant participé.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 965-2159.

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Thursday 29 March 1990

The committee met at 1014 in room 151.

ANNUAL REPORT, PROVINCIAL AUDITOR, 1987

ST LAWRENCE PARKS COMMISSION

The Chair: I call the meeting to order and recognize a quorum.

We have before us once again Blair Tully, deputy minister of Tourism and Recreation. Mr Tully was not the deputy minister during the time in which the original audits were done that we are doing a follow-up on, and so in a sense we are calling him to do penance for someone else's sins, but we appreciate him here anyway. We have George Speal, the chairman of the St Lawrence Parks Commission, who was there and, of course, will be able to give us a fairly good history of it. We are pleased to see in his follow-up that some action has been taken by the St Lawrence Parks Commission to deal with many of the concerns of the Provincial Auditor and of this committee. We certainly appreciate that and we would like to follow up on some of those concerns.

Jim Otterman, the auditor, informs me that he has no opening statement to make, so I am going to ask you, Mr Tully or Mr Speal, if you have any comments you would like to make at the beginning, or would you prefer that we just start our questioning?

Mr Tully: I think I will let the chairman say a few words. I would like to introduce as well John Barrett-Hamilton, on my right, who is the acting general manager at St Lawrence. John has been there now, I guess, for two months in an acting capacity. We are in the process of recruiting a new general manager. John is normally general manager at Huronia.

Mr Speal: Mr Chairman, I want to thank you very much and I appreciate the opportunity you have given to me to share with you some of the highlights that have taken place at the St Lawrence Parks Commission during the last year. I cannot help but use this opportunity just to highlight some of the things that have happened.

Although attendance at our campsites was down and we experienced a late start in golfing due to a wet spring, both of our historical sites at Upper Canada Village and at Fort Henry had an increase in attendance, which was counter to the experience at other tourist attractions throughout Canada. At Upper Canada Village our attendance was increased by three per cent and at Fort Henry by 11 per cent. I attribute a lot of that to the marketing strategy we have adopted.

We have been able to complete studies on our land use, our marina facilities at the Crysler Farm Battlefield Park and our corporate identity. We have developed a Vision 2000 statement, which we prepared at the commission and circulated to members of the Legislature, members of this committee, elected bodies and tourist agencies. We have received their responses, and they are now being put in a form so that we can have a meaningful discussion within the commission and between the commission and the ministry. I believe that it reflects what we want to do and what we want to see happen in eastern Ontario.

We have completed the third year of our capital funding dealing with repairs. I think we indicated to you last time that we have facilities, which belong to the people of this province, that are somewhere in the neighbourhood of \$70 million to \$100 million. We have to spend money just to keep them there for those people who come after us. Thanks to the ministry, we have been able to secure funding of \$1.5 million a year. We are in our third year and we are continuing to maintain that program. We keep asking the ministry, of course, for more money, and I am assured that we get co-operation now and again on that point.

We have developed a new corporate image and we will soon unveil it. This, again, is part of our corporate strategy. We have revitalized our program at Fort Henry through a new officer-of-the-day program so that not only are there facilities there during the evening but also during the day. We have initiated a winter program, which goes contrary to one of the recommendations in the Provincial Auditor's report, but we did this on a trial basis this year both at Fort Henry and at Upper Canada Village on the basis of its not costing us anything. We will evaluate that in the few months to come and we hope that we will be able to assess whether it has had an impact or not.

We have revitalized the attractions at Upper Canada Village through more visual attractions and activities that are taking place. We have privatized our food service at Fort Henry. I think you will see that reflected in our financial statements as an ongoing thing, of seeing whether anyone else can do it better than the province of Ontario can and serve the province of Ontario.

As you are very much aware, following a study we commissioned we have now taken a decision not to open five parks in eastern Ontario. Before anyone gets too upset about that, let me reinforce our public announcement that the St Lawrence Parks Commission still maintains 11 parks in that area with 1,800 camp sites. That is the St Lawrence Parks Commission, let alone what the federal government has, what the Ministry of Natural Resources has and what the private sector has. I am just trying to keep that in proportion. We will not be opening five campsites.

1020

In the western part of our area there is the Gutzeit House in Bath which we will not be opening, and Fairfield House will not be opened this year. Again, in looking at our costs and looking at the people we were attracting in the area of Fairfield House, some 1,100 people went through there last year, and we could not justify an expenditure of keeping personnel there even for the short period of the summer months.

In order to attract tourists and impress them, the St Lawrence Parks Commission must be an efficient, flexible and cost-effective organization during the 1990s. The reality of fiscal restraint combined with a government commitment to achieve greater value for public money demands that we manage our business well. Our organization accepts and embraces continuous change as part of its culture.

We will be discriminating in our choices of services and products to deliver. We will all renew our commitment to

hospitality. Fort Henry and Upper Canada Village have long been recognized as two of Ontario's finest historical attractions. We will continue with our program to revitalize and enhance these sites as active and living communities of the periods which they represent. Excellence in the presentation of living history will be sought through more street drama, new and exciting interpretative activities and increased animation in the areas of museum. We are introducing period food services in our historical areas.

As soon as the matter of revenue retention is settled, we will be looking at a number of expansion opportunities. We will continue with the prospect of upgrading and monitoring the physical facilities while at the same time looking for new funds to introduce new projects which we feel the province deserves.

We see a potential in the history of the St Lawrence, a great river. The history of the river is the history of Ontario and Canada, and we hope to develop this history as soon as we complete our Vision 2000 statement and seek adequate funds.

Finally, we are looking at new avenues to increase revenues, co-operative sponsorship joint ventures and private sector participation.

I thank you very much for the opportunity of coming here. I appreciate the review that was made of the commission and of your ongoing interest.

Mr Pouliot: Mr Tully, I must really share this with you. It was not too long ago that you paid us your compliments under the auspices, the heading of the—I cannot remember the name, but I knew that it ran its affairs on the back of an envelope—yes, Ontario Place. You must think that you appear in front of the standing committee on public accounts and it is really not all that good news and you really wonder. This morning you said, “Will the St Lawrence Parks Commission be an exception to the rule?” It seems that every time that we see one another it is not conducive to good chemistry. I know that we do not tread the same circles, but I was hoping that this morning it would be better, and it was going to be until I came to page 7 of our briefing notes. I guess *plus ça change, plus c'est la même chose*.

In 1988-89 there was an operating deficit—that is taxpayers' money we are talking about, and maybe you can help us, Mr Speal—of some \$8 million. In fairness, there is a slight decrease compared to the previous year, but our collective fear at the committee is, given what we read about 1990-91, for instance, even 1992, the increases over which you will have no control. We are not talking about trimming staff here. We are not talking about making sure that we achieve better value for money. You will likely be looking at utility rates that are much higher than what we have experienced.

It is very difficult to budget for. It is unlikely, from what we are told, that the economy will be any better than it is at the present time. I think it is generally acquiesced that these times are good times, and if there is any downfall in the economy, your attendance, which is your revenue base, may indeed suffer. You are telling us that you have been judicious. I have read your mandate. You have some responsibilities that are attached to it; there are things you can do, there are things cannot do. Where do you see the possibility of really saving money in the years ahead?

Mr Speal: Two things: First of all, we do not have a deficit. We are a schedule 1 agency. The deficit, as you call it, has been budgeted for. These are not unforeseen expenditures. We come before the Legislature and present a package of what we believe we need to spend money on. I do not think that any government expects such things as its parks to bring in enough

income. There are some social services that the government provides that the people of the province of Ontario as a whole pay for.

But to answer your question specifically, the closing of some of the parks that we have done, I think you will see from our briefing notes, would indicate a saving of some \$750,000 next year and \$500,000 this year. We have a proposal before the ministry now to increase our revenues in a number of areas for two things. One is, of course, to make them competitive with the private sector so that we are not undercutting the private sector—I do not think that is fair to it—and at the same time to keep it equal with the areas. That should, we hope, bring in another almost \$750,000 in revenues.

There is a proposal in our fee structure to charge senior citizens for attendance in our parks. They now are admitted free during the week. Again, that is another \$100,000. We are looking at privatization. As I indicated to you, sir, in the area of Fort Henry where we had expenditures we have now turned that around to revenue. These are things that are just now being done and will take time to incorporate, but those are some of the areas that we are trying to change.

Mr Pouliot: I do not want to prolong this unnecessarily for our benefit, Mr Speal—time is of essence—but I do not want to play games either. I have to go back to the word “deficit.” The St Lawrence Parks Commission prepared this document that I have in front of me. It was reviewed by the Provincial Auditor, and you are the people—I am just quoting from your document—using the word “deficit.” That is your terminology.

Even if it were not, the figures will attest that you have total expenditures of \$14.9 million. The difference between your revenues, what you get from the government, from the pockets of the taxpayers, simply put, and what you get in terms of revenue and your operating expenses is \$8 million. If they were your family affairs, you would call that a deficit. In other words, the difference between the money that you have coming in from the ticket sales, from attendance, and what it is costing you to operate is \$8 million a year. I think we are quite clear on that. With respect, let's not play with words. It serves no purpose.

I was pleased, refreshed to see that your ratio of management, if you wish, was among the lowest, if we were to compare it vis-à-vis the civil servants of Ontario. I think you quoted that something like seven per cent of your overall staff, Mr Speal, are management people?

Mr Speal: Yes.

Mr Pouliot: If we were to go to other sectors in the public service, we would see that it is around what, 20 per cent? Is it fair to say, in your opinion, that you have trimmed as much as possible?

1030

Mr Speal: No, I can never say that we have trimmed as much as possible. If you recall, over a two-year period we did a new administration building at Morrisburg and took over two sites and put them into one. That started the trimming process. I think we will continue to look at the way we are delivering it.

I think the advent of computers will in itself ask us to rethink and relook at our staff. We will continue to review even the number of parks that we now have, with an idea that if we cannot increase the usage of a park, we may even cut some of them down later.

I think we have done an admirable job. If you look over the last five years, the total staffing has gone down in classified staff. Certainly I appreciate your comment about the way we

have been able to maintain our management staff vis-à-vis our overall staff, but I think it is a continuing program, a continual program.

Mr Pouliot: Regarding what employees are paid under your jurisdiction, how does it compare with other provincial employees, if not under similar jurisdictions, then in the same field, if you wish? A large component is under collective agreement provisions, is it not?

Mr Speal: Yes.

Mr Pouliot: What is the last settlement? Can you recall?

Mr Speal: We do not do the negotiations. It is done province-wide. I will let Mr Tully—

Mr Tully: There is a whole series of negotiations and settlements for the different bargaining units. It is not a single bargaining unit for St Lawrence. There is a range of settlements. I do not have the detail on that full range. That is something that is negotiated by the Civil Service Commission.

Mr Adams: Could I try a supplementary on that? There is a comparison in our notes with the Niagara Parks Commission. The point is made that they negotiate separately. Are their settlements typically higher or lower, as a result of that, than the government-wide settlements?

It says here, "It should be noted that the Niagara Parks Commission, with which we have been compared, is not under the public service collective agreement." That becomes a favourable argument as long as their settlements are lower. I just wonder if in fact they are not higher.

Mr Tully: I am sorry. You are talking here about the Niagara Parks—

Mr Adams: It is a comparison that is being made here with yourselves, yes.

The Chair: Give us your response, the St Lawrence Parks Commission's response, to our questions.

Mr Adams: "When assessing the commission's revenue to expenditure ratio, the following factors must be considered," and there are a number of factors and one of them says, "Wage settlements, which we are required to honour, are negotiated outside our direct jurisdiction." It goes on, "It should be noted that the Niagara Parks Commission, with which we have been compared, is not under the public service collective agreement." I assume from that that because they negotiate outside, they arrive at lower settlements. Is that the case?

Mr Tully: I do not have the detail on Niagara Parks' settlements. I understand the comment there. I can certainly supply, as it is available, the settlements from the Niagara Parks Commission and do that kind of comparison. I do not have it here, but I think we can supply it.

Mr Adams: Okay. Thank you.

The Chair: Our researchers just supplied some information. Ray, do you want to comment on this? The source is a letter from you—

Mr Speal: Dated 30 January?

Mr McLellan: That is correct, 1989.

Mr Pouliot: I am always, always concerned about deficits of any sort, and just as equally concerned about value for money, understanding fully that at times you have to provide an

essential service and it cannot show a profit. This is not the private sector; this is public responsibility.

Still, when you have a vision of increasing revenues by charging a fee for a respected senior citizen, if you wish, and cutting parks, and then enacting total savings of, let's say, \$750,000 or \$800,000—please do not quote me—it is still less than 10 per cent of the annual deficit, and this is cutting pretty close to the bone, Mr Speal. When we charge our revered senior citizens to have access to a park that they helped build, and then when we cut access really—by reducing the number of places where one has access to, you are cutting parks—those are extreme measures. Then we look at the increased revenues and at the savings and we say, "My God, we've only saved less than 10 per cent of the deficit."

When we get into 1990, 1991 and 1992, our expenditures will go up. I mean, people will strike with passion, and to some degree vengeance, in collective bargaining when the contract expires. Your basic rates will go up and revenues will be down, so there will be some reluctance when Mr Tully goes to bargain with his minister and the minister goes to see someone like Robert Nixon. We are not talking about anyone there. Assuming that it is the same government, these people are very tough. There will be less revenue. Then we will have to say, "What are we going to do there?"

I am not satisfied that the 10 per cent saving is real. I am not satisfied with that, because it lacks imagination. It is too easy to say, "Well, if you want me to come back to you with a better balance sheet, I'm going to have to cut service and I'm going to have to charge seniors."

Well, I am going to tell you what, Mr Speal, with respect. I am a member of provincial parliament; I get a free pass. I can bring whoever I wish to go to your park. All the people here can. Yet I see a war veteran down the street who is 80 years of age, and starting next year that person, who helped build and defended the country, is going to have to pay. I see people who are in wheelchairs and I see a minister making \$100,000 a year with the perks. Is the world upside down? I think, collectively, who is more deserving?

I would be more than willing—how many free cards, courtesy cards, do you have outstanding, friends of friends, people in positions? Do you have that figure of those who have free access to the park? There is one way of saving. It is not much. It is symbolic, though, and it will enact some savings. There is no reason why. If my wife and I wish to visit the park, we have the ability to pay the advertised price. But much more important, before you charge seniors, I think you really have to cut to the bone. I mean, I am appalled.

Mr Adams: I am not convinced this is a reasonable line of argument.

Mr Pouliot: Tell me that my argument, Mr Adams, with respect, does not make any sense. Of course it does.

Mr Adams: No, but how much of this deficit are we going to get rid of by giving up your card?

Mr Pouliot: I too want to save money. I too am concerned about the taxpayers' money. We all are. I realize that.

The Chair: Does the deputy minister feel that a symbolic gesture which the member for Lake Nipigon has suggested would be beneficial? Are there actually very many people entering the parks free? Is there any benefit? I think that was the question.

Mr Speal: The tickets, or the free admission, as you indicate, is not given holus-bolus. There is a debate that goes on every year and it comes under our marketing strategy. We hope to get returns from those people to whom we give the free admission.

The free admission is to the members of the Legislature, hopefully, so that they will come and visit this jewel of eastern Ontario that they have, so that they come and see what we have in eastern Ontario and take advantage of it. It is not just all in Toronto and west, but we have got something that we are very proud of, so we want you to come down and visit with us. Of course, we would love to have cabinet ministers come down, hopefully so that we might be able to extract some funds from them when they deliberate.

1040

We do give free passes to the members of the press. Very few of them take advantage of it, but we hope to get free advertising, because we cannot use our money to just put ads in the paper to come, so we get stories. All of these things are done as part of our marketing strategy to entice people to come to our attractions.

The Chair: Mr Pouliot, you have had 15 minutes for questions.

Mr Pouliot: Just one last question, I promise. I usually do not need any help, Mr Speal, but I feel that I am only saddened that this process does not go any longer. Please do not take it personally.

Mr Speal: No, sir.

Mr Pouliot: I feel that if people have demonstrated the ability to pay—and I do not want to pursue that. I can see the motive for trying to get close to cabinet ministers, among others. It is not my style of operation, and obviously I will never be rich. It is not the way I do business, but that is me. That is okay, that is my conscience, and I can appreciate that.

Mr Cordiano: Do you talk it up in your riding?

Mr Pouliot: I was addressing the chairman. I can understand the need to keep doors open, and Mr Cordiano is offended by this kind of suggestion.

Mr Cordiano: Not at all. I am just saying that it is normal practice.

The Chair: I think you are being provocative, Mr Pouliot. Do you have a question, please? Would you ask a question of our guest?

Mr Pouliot: No, if I am being provocative, frankness does that. When you are candid, sometimes you risk being provocative because you are not looked at as respecting the established order or the way things are done. For this I do not wish to apologize.

On Vision 2000, and I will conclude with this, the first two pages are self-explanatory. If you were to come back here, Mr Speal, in the next five years, you would be in the first car paying us another visit and I would be in the fourth car trying to keep up with the visions and the projects.

If you could press a switch and have unlimited funds and say, "I am going to make the St Lawrence commission a legacy. I am going to make it work. It is going to be a success story," what would you do? I see vision here. What project could turn this thing around and give you the money back and then the tax-

payers of Ontario, by way of conclusion, would finally get more value for money?

Mr Speal: It is not what I would see as my vision; it is part of the consultative process. You meet with people, you meet with your commissioner, you meet with the people of eastern Ontario, you discuss, and hopefully through that give and take you come up with a vision that becomes then—and I hope to bring it to you next year—a corporate strategy which says where the St Lawrence Parks Commission sees itself going within the ministry over the next five years.

It is a corporate plan, but you have to have a base. You cannot just pull things out of the air and say, "I want this because I have unlimited funds." It would not be responsible to squander taxpayers' money just for dreams. What you do with it is, you consult with people, you see what people want, and then you make a strategy and fit that strategy within the corporate funding of the ministry.

Mr Cousens: I would like to make a few comments before I begin. First, I should declare a partial conflict of interest in this subject in that my background goes back to what is now called Fort Henry. They have dropped the "Old." It was probably a good move as far as history is concerned because they removed the "Old" from Old Fort Henry and they just call it Fort Henry now, and people were wondering, "Where is the new Fort Henry?" While in the guardsmen, I found out why you have done it and I support that decision.

I was in the Fort Henry guard for three years and was commandant of Fort Henry and certainly have a sense of love for the history. I was also one of the researchers who worked with R. L. Way for the opening of Upper Canada Village in Morrisburg. I do appreciate seeing old friends in the form of Mr Speal, a representative in history, and also the fact that the province of Ontario has seen fit to appoint the chap who was looking after my fort up near Penetanguishene and Midland. You have taken John Barrett-Hamilton away, and I hope it does not fall apart up there with you being away, John. I can see already your stamp coming into it with the number of programs that Mr Speal talked about.

I think what you are doing is to get the bakery going so the people can see how bread is made. I was doing some reading on it even before I came in today, aside from our notes, and I like the thrust that you are taking. I am really pleased that you are there, and just come on back up north and we will see you in another capacity.

When we had the commission to us before, in our final recommendations, we were not too happy with one aspect of the way the St Lawrence Parks Commission was being managed with regard to its mandate. It had to do with the social mandate that is implicit in a lot of the things that you have been saying. In our final recommendations, we came out with our own report and one of the reasons you are here today—in our sixth interim report of 1988 we said a few things there, "The thrust of the act"—under which you operate—"is operational, stating that it is the duty of the commission to control, manage, operate and maintain the parks within its area of jurisdiction, also defined in the act."

So it is rather specific in that it does not include the social agenda that is becoming part and parcel of where you are now. My position is that, if the social agenda is part and parcel of why you have a deficit and why things are done, then that should be part of the act and it should be mandated by the government. It should not be something done on the goodwill of the commission, commissioners or anyone else.

You just have to look back in that same report of 1988. We were concerned that the St Lawrence Parks Commission would clarify its economic and social mission and report back to the committee on whether the St Lawrence Parks Commission was overstepping its mandate and whether any modifications to its mandate were required. My whole questioning is around this theme, and I am very interested in it because it has to do with mandates. When the Legislature passes a law or an act, then we expect it to be followed and the auditor is going out there snooping, and if someone is not, then that is important to us to ascertain.

The next update that has come since then is that we have the memorandum of understanding between the Minister of Tourism and Recreation—which is a draft, I understand. But this draft, which is dated 15 November 1989, about six or eight months after you would have received our report, continues to say the first objective of the commission is “to encourage and promote the tourist industry in eastern Ontario on a year-round basis....” I like the year-round basis because that also ties into our consideration that the facility be expanded far more into the full year than it has been in the past. I think you are starting to address that. It is not something you do overnight, but you are moving forward. I have heard your remarks and I am really pleased you said what you did say in that regard.

But then you go on to say, “...on a year-round basis for the economic and social benefit of that region and the province.” So again it is coming back in, outside of the act itself. There is this sense of you, good-hearted soul that you are—but I want to know where you get the mandate. It comes through as well, Mr Speal, in the Vision 2000 report. Again I am looking at your mandate, and it comes through where the commission plays a major economic role in this area of the province, and you do.

Noble Villeneuve, my colleague the member for Stormont, Dundas and Glengarry, wants you to play an important economic role because indeed many of the jobs that his people in there have, just keep their living going and their homes going. He has raised this in the Legislature and in this committee.

I would go to the mandate, if you could comment on that and on your interpretation of it, your future interpretation, the guidelines under the act, whether or not the act needs to be changed and anything that you could elaborate on this point.

The Chair: Who wishes to be first? I think it is a fairly crucial question that is being asked.

Mr Speal: Yes, that is why I am just cautious in trying to formulate a reply.

The Chair: I wonder if Mr Cousens would not mind me just pointing out something by way of context. If you look at the rules for judging regulations, the first rule is: “Regulations should not contain provisions initiating new policy, but should be confined to details of giving effective policy established by statute.” I guess some of the concern Mr Cousens has pointed out so well in his statement is that we may agree with the direction you want to go, but should it be by statute and not by a policy, memorandum or even by a regulation? Mr Cousens, you may want to look at this.

1050

Mr Cousens: You have said that extremely well. I appreciate that.

Mr Speal: I appreciate the comments and the remarks of the honourable member. When you are appointed to a board

that is out in eastern Ontario, you look at your responsibilities under the act, the Legislature, the directions you are given by the ministry. But you have to bring your own background to play in the way you administer that act.

I may have been somewhat loose in my terminology in setting forth in my original appearance here about the sense of social responsibility that I saw the commission playing. It had been intimated to me that I should go through a process of closing down the commission that I had just been made chairman of, and that was in the Provincial Auditor's report. I guess I was so taken aback as a new chairman not very knowledgeable about the ways of government. I indicated to this august body that as long as I was chairman, I was not going to sit there and have a mass firing and follow the report of the Provincial Auditor.

I then met with the manager and the commission and we developed a strategy for excellence, strategy to rid ourselves of mediocrity and the strategy that I think fulfils the inward sense of social responsibility that we have to eastern Ontario and, at the same time, addresses the concerns of this committee and of the Provincial Auditor.

To that end, some of the steps that we have taken may seem contrary to what we have said in that the failure to open some parks has meant that there would be a number of people unemployed. By the same token, what we have done on an experimental basis to increase and address the problems the honourable member raised about increasing our revenues is to expand our marketing, hopefully to increase our shorter season, to increase tourism in the area both for people from the province and for people from outside the province.

In this way we address the problem of increased revenues, spreading our expenses over a longer period of time and, at the same time, fulfilling my inward commitment and the commitment of the commission to treat with compassion the people who have been employed for a good number of years in that area. We have to take our responsibility in the context of why the commission was formed in the beginning. It was not just something the province created; it was because of a new forward-looking vision of people back there to build the St Lawrence Seaway, and the upheaval of people in that area and moving them from their homesteads away from that area into new virgin territory.

So we do not have, nor do we have in our corporate strategy, a regulation of social responsibility. We have, on the other hand, a commitment to excellence; to trying to build upon that which was given to us; to trying to attract tourists and to fulfilling our mandate in the area of tourism. If we can do that well, then we will have answered the social responsibility that we all feel, and that is to create employment in that area for the people to serve. I do not know if that addresses the question you raised, Mr Cousens.

Mr Cousens: Maybe Mr Tully could comment on it from the ministry side. Your answer is, I think, a responsible answer on the approach that one takes, because if you do achieve excellence, then there are many side benefits that come out of it. We want to see you attract many people into the historic sites of the St Lawrence valley, so that is good and valid. But then there is another mandate that is going beyond that, and it costs money, and to what extent that money is being approved for the right reasons. I think they are good reasons, too. I am not fighting it. If, in fact, it becomes a mandate, then I might be fighting for Mr Tully to become responsible with the Minister of Community and Social Services and some of the other ministries which will say, “Hey, you should be doing more down there, because it is

not easy in eastern Ontario." Maybe Mr Tully could comment on that social mandate that is still becoming, I think, very much a part of the written verbiage that is coming out of here, outside of your context.

Mr Tully: I think that the social benefits which flow from the economic development benefits of the St Lawrence Parks Commission activities which the chairman, Mr Speal, identifies, are ones which we are quite cognizant of. And in terms of social benefits, as well, we are talking about the preservation of the historic past of this region and of really the beginnings of Ontario. From that point of view, it is important to all of us that governments undertake to protect that historic past and the recreational facilities that are there for the use and the advantage of Ontarians in the future. That is part, as well, of the social benefits that come out of this facility.

From the ministry's point of view, we see the deficit which Mr Pouliot referred to as an investment on the part of the ministry and the government in the development of the tourism base of eastern Ontario. I think that since its beginning, that deficit, which is supported by the province, was seen to be an investment in the capacity of eastern Ontario's tourism and recreation industry to develop and grow and thrive. I think it is the philosophy which lies behind our investment through deficits in the operations of a number of facilities around the province. Obviously, there is always a balance between the level of investment one is prepared to make and the desire to ensure efficiency and effectiveness in undertaking that kind of activity. From our point of view, it is why we are working with the commission on a number of things to ensure that this investment is reaping the benefits in terms of economic development, and through economic development, the social benefits that will come from a healthy, vibrant tourism economy in eastern Ontario.

Mr Cousens: All of which we want. I guess I am worried that even though what you have said is general enough to support the thrust of tourism and the goals that are part of the original mandate within the act for the St Lawrence Parks Commission, which I support strongly, I am now wondering whether or not, as either a private member or through the government or through the auditor's recommendation, we should be looking for a change in the act that begins to recognize that social level of responsibility that is part and parcel of what you are talking about, and whether the auditor can comment on any change in what is being said now from what was said before, or whether we as a committee want to explore it further.

The Chair: I guess the concern, Mr Tully, that the members of the committee and I are expressing is that we may agree with what you are doing, but we do not think you have the right to do it right now under the act. Maybe what this committee has to look at is whether we should recommend that the act be changed to give you the right to do what you are doing, because public servants should not be setting policy, government sets policy. If you want to recommend a change of policy, that is fine, but the minister should change the policy, not the public service. You may be doing a good job with the changes you made. It may have been going on and you may have been doing a good job for a number of years, but I guess there is some concern that if we allow you to change policy, no matter how effective you may be in changing the policy, no matter how admirable the things you are doing, if you are doing it without authorization, then where does it stop?

What prevents you in your next ministry as deputy minister, since deputy ministers seem to revolve into different portfolios

every 6—what is it? I think 13 months was the average in Ottawa. You are going to have a public service out there setting policy, rather than the people who were elected. I wonder whether you want to comment on that? Would you not feel more comfortable if there were something in the statute, as Mr Cousens has suggested, giving you a direct mandate for the social mandate, as you call it?

1100

Mr Tully: I guess I would feel that those social benefits are flowing from the primary mandate which the ministry and the commission have, and that one is always more comfortable when the Legislature is, as you have said, defining the policy and the direction. I think in the case of St Lawrence parks, in the sense of the mission and mandate with respect to the preservation of the historic past and the development of the tourism base in eastern Ontario, that those provide sufficient comfort for us in terms of the direction of the commission at the present time.

The Chair: I guess what we are saying is, the authority of the St Lawrence Parks Commission is very narrow. You have exceeded those narrow definitions. If you want to change them, that is fine, but they should be changed by the government and not by the public service. Maybe that is something that the committee will want to look at. I think it is a matter that concerns a number of the members of the committee.

Mr Cousens: My only comment is that I appreciate the efforts and, in fact, maybe there should be a better definition of those efforts and, once that is done, it could be increased and improved upon. I am sure the member for Stormont, Dundas and Glengarry would very much want to see more done to support the people within that area who have financial needs. Eastern Ontario has been a major thrust on the part of all of us, understanding that it is one of those economic areas that requires help.

Mr Curling: Just a supplementary to that. I thought that basically that was all written in the agreement here. It is written here in the agreement, especially the one here that talks about that they should recommend policy to government or seek policy direction from the government in specific instances. It is there. Basically, policy changes are happening, I think they are saying, and then they should be seeking those changes from the government. I do not think anything should be written in, because basically it is there already.

The Chair: Mr Curling, you are missing the point. The point is that public servants may recommend policy changes; government makes the policy changes. There is no statute that allows them to do what they have been doing. Even though we may agree with what they may be doing, our concern is that they do not have legislative authority for doing it.

Mr Speal: With respect, I do not want to take away from anything I have said, but what has the St Lawrence Parks Commission done, in your view, that we did not have the authority to do? We are talking generalities here, and we are talking about idealism. But in any of the budgetary requests for funds to carry out the operation of the golf course, the two historical sites, the feeding of 2,000 geese, the maintenance of an airstrip, the marina facilities, the two parkways which we are trying to manage and preserve in a good, businesslike manner which at the same time we are trying to improve upon so that the people of Ontario can be proud of it, I do not see anything in what we have asked for or done that you or anyone can point a finger at

and say: "You did this, you employed that person, you opened that thing. You did not have the power to do so." Now, I may be incorrect because I have only been chairman for four years, but I am very cautious of what I do and what I can do. I have a whole host of people down there to tell me what to do, and they do very quickly.

The Chair: In reference to your question, the answer is found on page 6, the first paragraph of our last report.

Mr Speal: Page 6.

The Chair: The second paragraph of our last report, the sixth interim report, 1988. There are a couple of sentences left over.

Mr Speal: "The committee noted that the...formal mandate did not make any reference to a social mission."

The Chair: Yes, on down.

Mr Speal: Which gives him another duty, "with the exception of section 5(2) of St Lawrence Parks Commission Act, which gives the SLPC the duty to investigate and inquire into any matter affecting the welfare of any municipality or individual within the counties." The thrust of the act is operational.

The Chair: That is right.

Mr Speal: And that is what we are doing; we are operating.

The Chair: Your justification, in many cases, was that you had a social mission. There is no social mission spelled out in that.

Mr Speal: I think I indicated in the answer to Mr Cousens's remarks what I felt my duty was whenever I served any committee, board or agency. I did not say that I would usurp that authority or do anything beyond the terms of reference that were given to me by the Legislature. I may have been misinterpreted, misunderstood as far as my personal role of social responsibility and the role of the commission in performing its function, but I still say to you that there is nothing in what we have done and nothing in the seeking of funds from the Legislature to do that which we are hoping to do that in one iota infringes upon the responsibilities that have been charged to us under the act. I do not know.

The Chair: I am not going to debate the matter with you. In my opinion, you violated your powers under the act. I think that this is the position of the auditor, and the committee will write its report as it sees it.

Mr Speal: I hope that in doing so you at least indicate to us specifically where we may have violated, because we will correct it immediately.

The Chair: I think we did in our last report, but we will certainly include it in our next report.

Mr Speal: Thank you, sir.

Ms Poole: When I was reading the Vision 2000 document, I noted the comments about the alarming decline in attendance in recent years, and it specifically quoted attendance figures from the 1978-88 period at Upper Canada Village as gradually dropping and now being at a level of 30 per cent lower than in 1978. At Fort Henry, I think it was 13 per cent lower in that same period.

Now, in your opening comments, Mr Speal, you gave us some very encouraging news that you have made dramatic progress in this regard. In fact, I believe you said that at Upper Canada Village in the past year, you have had a three per cent attendance increase and, at Fort Henry, an 11 per cent attendance increase. I wonder, do you have any idea at this stage what kind of increased revenues this will bring? Even a ballpark. I realize you are probably not at the end of your fiscal year quite yet and you may not have specific figures, but what I am trying to track down is, are you going to have an increase in your revenues from the attendance increase that will help offset some of the costs that you have incurred?

1110

Mr Speal: The answer is more likely to be no. You may even see a slight decrease in our revenues, and for several reasons. One is, there are horrible golf seasons. If you take all of our revenues together rather than isolating them, our golf season was very much in jeopardy last year because of a very bad June. We make most of our revenues from the sale of golf carts, and you could not put golf carts out on the course; you would lose them. It was that mucky.

Similarly, last year for the first time we privatized the food services at Fort Henry. The year before it would have shown as revenue, the income from the food services. That will now be taken out of the revenue, but there will be a corresponding decrease in expenditures. We have that problem that we are a schedule-I agency and it is hard to match revenues with expenditures. The third thing is, following the recommendations of our committee we shortened the season in most of our parks. Instead of opening on 15 May, we staggered our openings in a number of parks, and that will also decrease our revenue. That is following a report that was made by the Provincial Auditor.

So for a number of reasons, I do not think our revenues will increase that much. Our expenditures, I hope, will show somewhat of a decrease, but I do not think our revenues will show a dramatic increase this year. We will have to wait a year.

Ms Poole: So it appears that the increased attendance will actually mean that you will have staved off a loss in revenue as opposed to actually having that much of a net profit.

Mr Speal: Yes, very much so.

Ms Poole: I am quite interested in how you achieved this dramatic shift from having a decline in attendance to an increase. You mentioned a number of things—the daytime program, the fact that you had a winter program. It appears that those are in their fairly early stages. You have also mentioned that you had a fairly major promotional and marketing endeavour. What would you personally attribute the increases to?

Mr Speal: I think three people spearheaded it. John Barret-Hamilton, Bob Mitton and John Robertson, who is the manager of Fort Henry, introduced very imaginative programs, and not only introduced programs, because it is one thing to introduce them, but then you have to communicate what you have done. John was very instrumental in getting out into the community. He joined a number of agencies. He went to the schools and sent brochures out to the schools.

We have done, through our own marketing agency, an increased attempt to get to the tourist people who set up the bus tours throughout eastern Ontario. Hopefully they will hit Fort Henry and Niagara Falls. We started off with new programs and then we communicated those programs. It was with that combination that we were able to make a dramatic turnaround. We

have had excellent comments from people—it is changing—and excellent reactions from the people who are working there because there is a new revitalization going on.

Ms Poole: By the way, I would just like to state for the record that I disagree with Mr Pouliot's comments about giving out the free passes and what it entails. I wish he were here to hear the comments because I feel very strongly that sometimes you have to make promotional moves which might seem to cost you revenues. They really have a very small impact on your revenues but might make you major gains in the promotional area. I think it is exactly what you should be doing, making sure members of the Legislature are acquainted with what you are doing at our national treasures.

One final question: Several years ago, at a caucus retreat in Quetico, or on the way to the caucus retreat, I had the pleasure of spending some time at Old Fort William in Thunder Bay. I just wondered whether you could give me any type of comparison of how, say, Fort Henry would compare to Old Fort William and how you operate it, whether you use the same number of volunteers and students, whether there is any differential in the types of revenues considering the population base. Have you ever done this type of analysis with other historical facilities in the province which might bear relationship to what you are doing? If you have not, that is fine; I just was interested to see how your parks commission compares with other facilities of the same scope.

Mr Tully: I will ask John Barrett-Hamilton to make some comments on that, because he has had experience with Huronia and the facilities at Sainte-Marie among the Hurons.

I was just going to make the comment that recently the ministry has undertaken some reorganization to bring about a closer working relationship between the various attractions that we have a relationship with in the ministry, Old Fort William, Sainte-Marie among the Hurons, the Niagara Parks Commission, St Lawrence Parks Commission and Ontario Place, to try to strengthen the working relationship and understanding of the marketing activities that need to go on in their respective regions, because I was saying earlier we see these facilities as a very important investment on our part as regional tourism attraction facilities.

I think that the work which has gone on over the past year in eastern Ontario with St Lawrence has been very commendable, given the kind of market that we have experienced generally, not only in Ontario, but in North America in the tourism area. In Ontario, with visitations from the US down about five per cent across the board and the impact that has had on the industry, the kinds of improvements that they have made in St Lawrence have been beneficial not only to them, and I think the longer term will begin to show that on the bottom line, but certainly to the industry. It is building a stronger relationship with the tourism industry in eastern Ontario that is really key to their contribution in that area. I know the industry is very strong on what is going on down there and that is a big payoff. John, did you want to make some specific comments?

Mr Barrett-Hamilton: With respect to commitment and involvement in the two different communities, the Kingston area, particularly through the tourism community, is more involved with Old Fort Henry, or now Fort Henry, in the development of tourism and the expansion of an awareness for travelling tourists of that entire region, whereas at the fort in Thunder Bay the community has been involved for a very long time as volunteers within the program itself. There is a very big

difference in that I think the needs of Fort Henry are in the tourism end of it.

The program changes that have taken place there through John Robertson, who also used to work in Thunder Bay, have succeeded in turning the program around from within. In his judgement, he sees a very good strategy for the next five years in becoming more deeply involved with the downtown and with the regional tourism development in working with a network of other tourism services and businesses. We have already seen the results of that in the early work that John has had in the last 12 to 14 months and we see it even getting better in the next two to three years. So there is a very big difference.

With respect to attendance, in statistics there appears to be the potential for a faster growth in the tourism at Fort Henry and the Kingston region than at Thunder Bay at this point, because of the northern differences and the southern differences. The attendances annually, roughly, run about 100,000 to 115,000 in Thunder Bay and right now I think we are pushing 180,000 plus in the Kingston area, with real good potential to grow farther and faster. Does that help with the question?

Ms Poole: Yes, it does. I just wondered whether they are operated differently, and you have certainly answered that aspect. I do not like to put in cost-effective words when you are talking about historical things, because I think our primary objective is not necessarily cost-effectiveness, but I just wondered if there were things that you were doing at one place that could be carried over into the other that would assist and whether this communication was in place. From what you have said, it appears that is growing.

1120

Mr Barrett-Hamilton: I think the final comment I would make is that in eastern Ontario, the region itself is trying to develop a new marketing approach to all of the attractions in the area, right from Kingston to Cornwall, and that we are trying to attract people through packaging of multiservices, all available through co-operation among all the attractions. You will see more and more of one-day, two-day and three-day packages for people coming into the area to really enjoy themselves and it is to the benefit of everybody working together so that the marketing costs are being kept down while the growth is certainly going to go up.

Mr Cousens: If that question is finished, I want to go back to the subject that I was raising earlier. Our committee, having looked at the St Lawrence Parks Commission, came out with a number of recommendations in our report. I would just like to ask if the deputy minister could comment on what you did with our recommendations.

We said on page 8 of our recommendations back in 1988, "Independent studies should be commissioned by the Ministry of Tourism and Recreation." First, and maybe we could answer just this first one and then we will go to the next one, we asked for an independent study of "the commission's economic and employment impacts on the region and on the province's tourism industry, to identify spinoffs, multiplier effects, and any other benefits which exist, in the context of their costs." That is something that we asked for specifically. Could you report on the results of that study, if such a one was conducted.

Mr Tully: The ministry has undertaken to develop for all of its facilities the kind of employment and economic impact study that was recommended by the committee in its report. We have commissioned a professor at McMaster University to develop what is really a fairly specialized area of impact

analysis. We have undertaken those studies now for Huronia and Old Fort William, because these are more contained sites and obviously the impact is more easily measurable. We are receiving shortly the results of those two reviews and the intention is to undertake this summer to collect data at St Lawrence, which is a far more extensive facility and in a sense is several facilities rolled into one, for the kind of economic impact study that was requested or suggested by the committee. So that study is not completed yet, but we now have a model for how one would be undertaken.

Mr Cousens: I guess the answer then is, though we asked for it, it has not been done, but it will be done.

Mr Tully: I think the first step has been done, and that is to develop a methodology, which is as important in the development of what was requested here, an independent study, something that one could rely on in terms of its results. There was no easy process or methodology available and we have had that developed, as I say, over the past 12 months.

Mr Cousens: Then the report that has been done on the other two sites is done now and is in your hands?

Mr Tully: We do not have the finalized version from the professor at McMaster, but we have a methodology.

Mr Cousens: I just table this for the chairman. It is an issue that was raised before. It is still in process, so I do not think it ends our concern about the future of the commission.

There was a second study that was asked for. In our report we said that there should be an independent study on "the commission's marketing and promotional activities, including recommendations for improvement of attendance at the commission's facilities." Could you give us a report on that activity.

Mr Tully: I think Mr Speal has spoken to the issue of the changes in the marketing and promotional activities that have been undertaken by the commission over the past year and the impact of those activities. As I indicated, we have undertaken reorganization in the ministry to bring the various facilities together so that the synergies of that group of attractions can expand into the marketing as well as the operational and management support areas.

We have not undertaken an independent study of those facilities, as is suggested in the recommendations, but through the new expositions and attractions, the vision in the ministry, we are looking at ways in which the various attractions can be further integrated into the regional tourism marketing activities.

Mr Cousens: Mr Tully is not going to like me in committee. Each time he comes, I am not what you would call an easy person. I question, Mr Chairman—you were not around then, so just pass it back to your retired friends or whomever—why we even sit as a committee. We are able to come forward unanimously and bring recommendations asking for certain things. To me, it could be extremely helpful. I support so many of the things you are doing within the St Lawrence Parks Commission. I am not standing up here as one who says, "I could do it better." Far be it for me to throw stones at those people who are doing a real job there with limited resources and with the mandate and other factors.

Our own consideration of the needs of that area had all the political ramifications of members from that area who were concerned with the future of it, but as well saying, "Look, we obviously need extra assistance coming with it" You are moving forward on our first recommendation something like 18

months or two years after the fact. On the second recommendation, asking for marketing and promotional activities, what I am hearing said is that the ministry has not sought out independent assistance on this.

I put it on the record as something that makes me say that the next part of our recommendation on page 9 of our report back then said:

"Based on the findings of these studies, the St Lawrence Parks Commission should develop a long-term (minimum five-year) operating plan. The plan should set deficit targets and should justify them in terms of their contribution to clearly stated regional and tourism objectives. As such, the plan should include objectives for expenditures, revenues and attendance, and a capital expenditure plan and a marketing plan designed to attain these objectives. This plan is to be submitted for the public accounts committee for review by 31 October 1989."

We are now at the point where we are several months beyond that date. We made that request and now I am in committee and back on the same report. I think we have partial explanation through your Vision 2000 document and other things, but if in fact we were asking for too much too quickly, it might have been better for a letter to come back through the system or the process saying: "Hey, guys, you politicians are demanding too much of us. We can't do it," or, "Politicians, get out of here, we're not going to do it," or: "Politicians, you're sticking your nose in someone else's business. We're not going to do it anyway." I end up with the signal—

The Chair: Maybe you are going a little too far.

Mr Cousens: You just never know what is going to happen in our business. But really, I am raising the question as to the effect we are having—a desired effect. We are getting good results, Blair. I am not knocking your organization. It is the last thing I would do, I will not get my free pass to go into Fort Henry or something, so I just have to be very careful. I am just teasing on that one.

It goes into a fourth point where we said, "Using these clarified objectives, the ministry and the St Lawrence Parks Commission are requested to report back to the committee by the same date on any required clarifications to the commission's legislative mandate and memorandum of understanding."

I will ask the chairman, our research staff or the auditor, did we receive any of these documents from the ministry?

1130

The Chair: The answer is no.

Mr Cousens: If the answer is no and we have not received them, I then ask the question, why?

The Chair: There is a response that we have received.

Mr Tully: There have been responses over the period of time. Given the number of suggestions made by the standing committee, everything from the seeking out of opportunities for constraining certain parts of the operation and gaining efficiencies in terms of the administrative side of the organization to the efforts that should be made in terms of looking forward and developing a five-year plan and so on, I would have to say that it was probably unrealistic of the committee to be looking at an October 1989 response on an item as important as the long-term vision of the St Lawrence Parks Commission.

I believe that the commission has launched, in good faith and consistent with the recommendations of the committee, the development of the Vision 2000 document. They have been undertaking extensive consultation with the industry, the

municipalities and elected representatives in eastern Ontario. They are consolidating that and are going to be bringing it forward for discussion with the ministry in the near future. I am not sure how they could have developed a vision in the kind of time frame that was being suggested.

The Chair: In fairness to the ministry, Mr Cousens, the ministry did indicate that it was working on the five-year plan. Their memorandum of understanding certainly indicates a movement in that direction. The exhibit that they sent us, namely Vision 2000, is the start of that draft. So I would not want to leave the impression that somehow the ministry was not responding to our concerns. It is just that maybe the mission we set out for them was a little bit overly ambitious, and they are responding as best they can. Eventually we will see a five-year plan in place. Is that not the case?

Mr Tully: That is our plan.

The Chair: I just do not want someone to think that somehow there was arrogance on the part of the ministry in not responding to the committee, because I see a certain movement in responding to the committee. We have evidence of that.

Ms Poole had a supplementary.

Ms Poole: Actually, I wanted to reintroduce something we were talking about earlier, so perhaps you would want to go to Mr Curling.

The Chair: Mr Curling happens to be on the list.

Mr Curling: First, I just want to say to the commission that if you have 135 ambassadors who could sell your park and you did not utilize them, I would then question your marketing strategy, because you have people who touch every border of this province, and who better to sell it than people who are elected by the people? The individual goes back to his community and talks about what wonderful places St Lawrence parks would be. I want to say, to continue, that I think that maybe more education—

The Chair: Keep the free passes coming.

Mr Curling: Sometimes we do get political points by making cheap shots about passes and all that, even myself; I have had these passes over the years. I have never visited your park, not because I do not want to but maybe because of time. But again, I think I could be a good ambassador, still, to sell the park in the riding of Scarborough North or whatever representation my colleagues come from. Again, I said that political points can be made sometimes by just loose remarks.

As I look at your Vision 2000, I want to commend you for putting that forward. I was very impressed when I saw some young people participating here. But a picture is worth a thousand or a million words or whatever—a graphic form. We speak in that respect. Usually when anyone commends you, you say, "Where is the hook?" Before I even put the hook in I always want to feel that history itself should have some relevance to the present or else one has no interest in it. Reflecting on your Vision 2000, I looked through here and I noticed that you started off your Vision 2000 by stating what the ministry's mandate and philosophy is all about. That says: "People make Ontario a good place to live and visit... We strive to be appreciative and respectful of our clients and each other.... We listen and respond to our clients' and each others' needs. We recognize the skills and successes of people. We encourage and reward excellence."

When we talk about people, we talk about people being our strength, all people, of our diverse culture. I look here and I realize that it reflects, in some respect, one type of people. I want to see that we are a diverse culture and I would like to see our image reflected with blacks, with Chinese and all the diverse culture there. Then people will be attracted by this historic place which has a relevance to this present as we evolve as a great province itself.

The criticism is not only within your area. It seems to be widespread across Ontario, as I see it. I was looking at a film for which we paid \$800,000 to promote Ontario, and everybody is applauding it. I personally looked through that and I did not see very much of a diverse culture in that, and then we promote that. As we go out and sell Ontario, people are looking over your shoulder and saying, "I want to talk about this very diverse culture." I would then like to see a Vision 2000 say that.

I will make another quick comment too. Even when I walk through this Legislative Building here, one gets a feeling of history, really, but no feeling of the present. I do not see the Premier's picture. I do not see the members' pictures around to let people feel a part of that. I am, again, making an emphasis on that, but that is extremely important itself.

As I look through this, too, I think that it is quite detailed about your mandate. I agree, Mr Cousens, that we do not, as a committee, want to feel inadequate that we would ask for a request and then we look years afterwards and months afterwards and hear that it was quite an unrealistic request that we asked for. I think it should have been commented, at that time, that we were asking for some sort of report and it could not be responded to entirely. It should have been said then: "Listen, we are all asking for too much here. It's great, but it cannot be honoured."

Therefore, when we get back here we are hearing now that, "You people's ambitions are too farfetched." Why was it not said then? Because I think it is that guidance that we can give when you come back here. The St Lawrence Parks Commission, to many, many people, itself is farfetched. It is something out there. All the new Ontarians who are coming here cannot associate with that. It is really a comment itself and I hope that those things should be taken into consideration.

The Chair: We are checking to find out whether there is a vote and we expect there will be, but Ms Poole is the last person on my list. So keeping in mind that we may have to adjourn in another five minutes, Ms Poole.

Ms Poole: I should not be long. I had a suggestion to make. We have heard two very strong differences of opinion as to the mandate of the St Lawrence Parks Commission and whether in fact the commission has the authority to revise, extend and clarify its mission and mandate. I was wondering if would be appropriate if our committee directs our researcher to approach legislative counsel about this matter and ask them for a ruling on whether they feel that the St Lawrence Parks Commission would have the statutory mandate to expand its mission statement.

The Chair: We may well want to consider that when we go in camera to discuss our report, but that is a proposal. The other proposal is to simply say, "Let's remove all doubt and ask that the ministry amend its act to include some of the things which." I think we are in agreement with some of the things you are doing. We are just saying that we are not sure you have the authority to do them, and let's remove any doubt. It would not take long to amend the act and give you the powers to do some of these things. I think that is another alternative we

should really look at in camera. I think that is the alternative Mr Cousens was suggesting.

Ms Poole: I would just feel more comfortable if we did have some sort of legal opinion prior to making any type of direction in that regard.

The Chair: We would like to thank you very much for your appearance. We will look forward to being kept informed of the five-year plan as it develops and of any further progress you may be making in terms of getting that deficit under con-

trol. We hope you will feel that it is the wish of the committee that you inform us through our clerk of this progress as it occurs.

Mr Tully: We had copies of Vision 2000. I do not know whether they have been distributed.

The Chair: We have those, so we thank you for that. We stand adjourned until 5 April at 10 o'clock.

The committee adjourned at 1140.

CONTENTS

Thursday 29 March 1990

Annual Report, Provincial Auditor, 1987: St Lawrence Parks CommissionP-287
AdjournmentP-297

STANDING COMMITTEE ON PUBLIC ACCOUNTS

- Chair:** Philip, Ed (Etobicoke-Rexdale NDP)
Vice-Chair: Pouliot, Gilles (Lake Nipigon NDP)
Adams, Peter (Peterborough L)
Ballinger, William G. (Durham-York L)
Cordiano, Joseph (Lawrence L)
Cousens, W. Donald (Markham PC)
Curling, Alvin (Scarborough North L)
Harris, Michael D. (Nipissing PC)
Leone, Laureano (Downsview L)
Martel, Shelley (Sudbury East NDP)
Poole, Dianne (Eglinton L)
- Substitutions:**
McCague, George R. (Simcoe West PC) for Mr Harris
McClelland, Carman (Brampton North L) for Mr Ballinger
- Clerk:** Manikel, Tannis
- Staff:** McLellan, Ray, Research Officer, Legislative Research Service



Legislative Assembly of Ontario

Second Session, 34th Parliament

Official Report of Debates (Hansard)

Thursday 5 April 1990

Standing Committee on
Public Accounts

Organization

Assemblée législative de l'Ontario

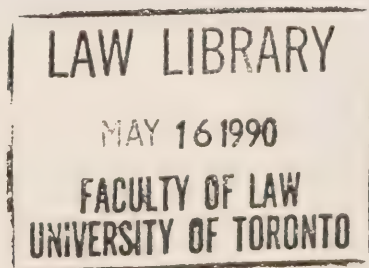
Deuxième session, 34^e législature

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Table of Contents

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Thursday 5 April 1990

The committee met at 1014 in committee room 1.

ORGANIZATION

The Chair: I am going to call the committee to order. We have two items that are listed on the agenda. I would like to suggest that we deal with one of the items as a subcommittee, because basically we have got a whole bunch of variables to weigh and I would rather deal with item 2 in subcommittee. The third item that I would add to the agenda is that I am going to ask Ray to give a short summary of what we will be looking at next week in order to hopefully encourage everybody to come, because it is important to us.

We have before us the budget that I am proposing, based on decisions that you people have made and that the subcommittee has made concerning what we intend to do. I do not want to go through each item. They are self-explanatory. If there are any questions feel free to ask me the question and I will have Tannis answer it.

Mr McCague: Do you expect any great difficulty with this at the board?

The Chair: I do not know. Bill was kind of kidding me yesterday that we might have trouble and I do not know whether he was just joking or whether he had any inside information.

Historically, we have played an important role in these annual public accounts conferences. It is particularly important this year because we will be dealing with a really important paper that I think can have significance, not so much in our province where we have adopted a lot of these things, but in some of the other provinces. It is important that our people be there to argue in favour of the paper, which basically says, "Here are the kinds of things that we find work in Ontario and work in other jurisdictions, and we think there should be some standards for the operation of public accounts committees in this country." I am hoping that any of you who have friends on the Board of Internal Economy may talk to them before I go to present this budget.

Any other questions on this budget?

Mr Adams: Is that this afternoon?

The Chair: No. When are we due?

Clerk of the Committee: Once the budget is passed in committee I then send it to the controller's office which will schedule it. They will probably do all the committee budgets in one meeting. So it will probably be—I am not sure, but it could be in early May.

Mr Cordiano: What are the weeks in July?

The Chair: It is the first week in July. You mean the conference?

Mr Cordiano: Yes.

The Chair: The second week in July. What is it, the—

Clerk of the Committee: The 8th to the 11th.

The Chair: The 8th to the 11th.

Mr Cordiano: Is the entire committee travelling to there?

Clerk of the Committee: We do not know.

The Chair: Well, subject to the approval of the Board of Internal Economy, but every year this has happened with the entire committee.

Mr Cordiano: What is the annual conference? I have never been on one.

Mr Pouliot: It is all the public accounts committees—

Mr Cordiano: I know that.

The Chair: It is the joint conference of the public accounts committees and the provincial auditors and Auditor General of Canada. It is an opportunity for us to get together to catch up on the latest research in the field. In the last couple of years what we have been trying to do in the public accounts meetings, because we have some joint meetings and then we have some separate meetings, is to come up with some basic standards, if you like, for the operation of public accounts. These basic standards have been pretty well all implemented by this committee, but when you meet some of our colleagues in western Canada and in eastern Canada you see that they have a long way to go.

Mr Cordiano: Do legislators attend these conferences? Do they have delegations of public accounts committees from across the country that attend?

Mr Ballinger: Even the Yukon and the Northwest Territories.

Mr Cordiano: Then I do not see why the entire committee should not go since it is one of those informational, educational kinds of trips which, quite frankly, none of us do quite a lot of. We hardly get time to do that.

The Chair: Joe, just to put it in historical perspective, this was started by Patrick Reid, who as chairman of the public accounts committee, I think it is fair to say, started to improve standards in this province for public accounts committees. He thought it would be useful for public accounts committee members to get together in the same way that the provincial auditors were getting together. So he initiated it back in—it would have been about 10 years ago, I guess.

Mr Cordiano: I think the same reason could be used for visiting any part of the country where we are exchanging information with other legislators. We hardly do that enough. We like it when people come to this province, but we still should be going elsewhere.

The Chair: This year I think it is also very important because we are going to have some delegates from Australia. The Australians, I think it is fair to say, have probably developed the most effective public accounts committees in the world, and certainly are pioneering in ways of saving money.

Mr Cordiano: Well, then, let's do that. Let's have an initiative by this committee to have the entire committee go. I think we have to send—

The Chair: Talk to your friends on the Board of Internal Economy so that when I present the budget—

I think one of the major arguments is that this is an important paper to get through. I know that members of this committee were very, very helpful to me as the chairman in trying to argue for this in the initial stage of drafting this, and I particularly appreciated the support of Bill Ballinger and Peter Adams and Shelley Martel and Gilles Pouliot, etc, at the first meeting of this. We need you people out there, particularly talking to, perhaps, some members of Liberal governments, and saying, "Look, this is being done in Ontario. The government hasn't fallen apart as a result of our operating an effective public accounts committee. It's actually good for the government and good for the taxpayer." So we need a lot of you guys on board doing that kind of lobbying to get this paper through in its final stages in Halifax.

Mr Adams: I think you should stress your track record.

Mr Pouliot: That has never been a problem before.

The Chair: It has never been a problem before. The committee has gone every year. Just make sure, then, that it is—

Mr Cordiano: I thought there was resistance on the part of the Board of Internal Economy.

The Chair: We do not know yet. There is—

Interjections.

Mr Pouliot: You are going to talk us right into a problem, because—

Mr Ballinger: Change his name to Ed Paranoia.

The Chair: Some members of my caucus have said that I belong to the conservative wing in my caucus.

Mr McCague: I think, though, that the chairman is right on this one. You can see him putting a little bit of pressure on, but he has been around here for a long time and he knows that as governments get close to elections they get very nervous about going even to Peterborough.

Mr Cordiano: This is not a government decision; this is a committee decision.

Mr McCague: It is a Board of Internal Economy decision. Do not ever think that Mr Peterson cannot get a message to the Board of Internal Economy in whatever way he chooses to do it.

Mr Cordiano: Yes, but this committee can be independent enough to say, "We insist on going," and let somebody say that we cannot go.

Interjections.

Mr Cordiano: I am sorry, but if members of this Legislature want to do that, they can.

Mr McCague: Joe, I will not to be around for that historic day.

Mr Cordiano: It has been done before—

Mr McCague: Anyway, I am backing up the chairman that we should not treat this lightly, that that kind of thing may creep into the scenario this time, and that we need to speak to those of our party who are on that committee. That is all.

The Chair: Why I have some concern—and I do not think that it is paranoia, I think it is concern—is that I have had people who are members of the Board of Internal Economy say to me, "The public accounts committee travels every year. Some of the other committees haven't travelled." My argument to that is that travel should be justified based on the individual activity. I think that we can justify in real savings to the taxpayer by what we have done.

Mr Cordiano: If we cannot justify this bill, then I do not think anybody should travel—

Interjections.

The Chair: Would somebody move the budget? Mr McCague moves the budget. All those in favour? Carried.

I would like to ask, then, that we go in camera so that we can have a little bit of briefing by our researcher on two matters. Namely, we have to make some decisions, I think, on the St Lawrence Parks Commission and we also want to discuss what we are doing next week.

The committee continued in camera at 1025.

CONTENTS

Thursday 5 April 1990

| | |
|---|-------|
| Organization | P-299 |
| Consideration of other business | P-300 |

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: Philip, Ed (Etobicoke-Rexdale NDP)**Vice-Chair:** Pouliot, Gilles (Lake Nipigon NDP)

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Substitution: McCague, George R. (Simcoe West PC) for Mr Harris**Clerk:** Manikel, Tannis**Staff:** McLellan, Ray, Research Officer, Legislative Research Service



Legislative Assembly of Ontario

Second Session, 34th Parliament

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Thursday 12 April 1990

Standing Committee on Public Accounts

Organization

Assemblée législative de l'Ontario

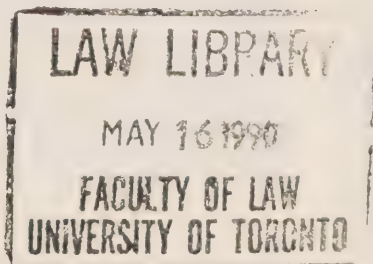
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Table of Contents

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Thursday 12 April 1990

The committee met at 1015 in room 151.

ORGANIZATION

The Chair: We have before us an agenda which has been circulated to you. I would propose that we add a third item to the agenda, namely, a briefing from our clerk on a conference which is taking place in Ottawa. Unfortunately it is taking place at a time when the House is sitting. We will add that as item 3.

I would propose that since there are some members who are not yet here, and the discussion of the guidelines to the standing committee on public accounts is quite important for as many people as possible to be briefed on, item 1 be dealt with in third spot and we deal with the agenda as item 2, item 3 and then item 1. Is that okay with members of the committee? Fine.

Your subcommittee on business met on Tuesday 10 April to discuss the committee's agenda. The subcommittee adopted the proposed agenda which has been circulated this morning. The subcommittee agreed that during the summer recess the committee should continue working on the reports flowing out of our hearings during the winter recess and would continue with the follow-up reviews. The follow-up reviews are those reviews where we have indicated to ministries that they would be recalled by the committee for an update on what action they have taken as a result of our recommendations.

If you look at the proposed agenda, you will see that we have dealt with our schedule right up to 14 June. Then at some point close to that date we would sit down and propose a new committee agenda for the recess, which would follow the proposal of the subcommittee, namely that most of our work would be spent on finishing reports stemming from earlier hearings. Are there any questions or comments on the proposed agenda? Would someone like to move the adoption of the proposed agenda?

All those in favour of the proposed agenda please show? Opposed if any?

Motion agreed to.

The Chair: The next item I would like to deal with very briefly is the matter of the conference. I have received an invitation from Ken Dye, the Auditor General of Canada, to participate in a conference in Ottawa that would be made up of representatives of legislatures, federal House of Commons committees and public auditors. I had some trouble getting some information as to exactly what their intentions were. Tannis has done a follow-up. I am going to ask Tannis to brief members of the committee and then we can have some discussion.

Clerk of the Committee: Mr Dye's office is setting up a conference called Symposium on Communicating Audit Information in the 90s: Getting the Message Across. It is a meeting of North American legislative auditors and legislators. There are a number of different people coming in from the US, as well as from all the provinces. When I talked to someone in Mr Dye's office yesterday, I found out that if Ontario does not send anyone to the conference, it will be the only province not sending at least two members. So they felt it was rather critical that Ontario be represented at this conference.

Mr Cousens: What is it, Tannis? I am sorry, I did not hear?

Clerk of the Committee: It is called Symposium on Communicating Audit Information in the 90s. It starts with a reception on 16 May, then 17 May and 18 May. This is right before the May long weekend and before the House breaks for the week.

Do you want me to run through some of the topics that will be discussed? Okay. It will start off with an introduction by Mr Dye and a welcome by John Fraser. The keynote session is "Definition of the common problems." The session is chaired by Leonard Hopkins, MP. Kenneth Dye will be speaking on "Conflicts between the senders and the receiver." Meredith Williams, who is the legislative post auditor in Kansas, will be speaking on "When legislators legislate against legislative auditing." Paul Adams is with the United States Inspector General with the Department of Housing and Urban Development and he will be talking about "The high cost of communication failure." Alan Rosenthal, professor in political science, will be speaking on "When legislators can be expected to listen," and a public policy professor will be talking about "What the public can expect to hear."

So this is sort of the way it goes through for the two days. There is also going to be a show-and-tell session, where the auditors will be setting up sort of a display area where people can watch the different auditors put out in forms of publications.

1020

Mr McCague: Is there any need to have anyone other than the chairman go?

Mr Pouliot: A resource person.

The Chair: I think it would be useful to have a researcher, our clerk and one other person. It does not have to be the Chair. We have a motion.

Mr McCague moves that the Chair, the researcher and the clerk attend.

Mr Pouliot: Allow me to mention that seldom have I heard such a fascinating and exciting agenda. I was especially, if not taken aback, happily surprised to see that the show-and-tell promises to be nothing short of dramatic and intriguing. All kinds of surprises will certainly surface, but more important, perhaps, is that collectively and individually, everyone will go back to their respective Legislative Assembly or National Assembly, in the case of the sister province of Quebec, and be tremendously enriched by the input. Ontario, as the largest and wealthiest province in Canada, surely will play a major role. Under your auspices, we have no quarrel that you will give us the kind of representation that you always do.

Having said this, I have some difficulty, since the House is sitting, acquiescing spontaneously that more than one elected representative should go. My humble opinion dictates that matters of this nature would best be dealt with—because we have to look at our mandate, which is simply value for money—by maybe one resource person and, with due respect, yourself, Mr

Chair. I would be prepared to move that resolution, nothing more, unfortunately, for we have very limited funds. Given our leadership role, we, collectively, as the standing committee on public accounts, should show leadership.

The Chair: Without going to the Board of Internal Economy, we do have within our budget an amount that would allow the clerk, the researcher and one person, be it the chairman, the vice-chairman or another member to go without having to go for a special budget.

Ms Poole: I would think it appropriate that our Chair go, subject to availability, and certainly someone from the auditor's office and a researcher. That seems to me to be the minimum we could send and fully represent Ontario's interests and show our interest in the public accounting principles.

The Chair: Will the motion carry, subject to the understanding that I have something else scheduled for one of those nights? If I cannot change it, then I will ask one of the other members of the committee to go in my place. Obviously, the Vice-Chair would get the first choice and then I would rotate. Those in favour of the motion?

Mr McCague: Whose motion?

The Chair: It is your motion. Those opposed, if any?
Motion agreed to.

Mr Cousens: We expect to have a full and complete report from you on the conference when you return. It would be satisfactory if we got it in writing rather than orally at one of our meetings.

The Chair: I intend to give a full oral briefing, then, and we will schedule two sessions for that, Mr Cousens.

GUIDELINES FOR PUBLIC ACCOUNTS COMMITTEES IN CANADA

The Chair: In the interest of oral briefings now, I am going to ask Mr McLellan to lead us through what I think is a very important document, one that was seen to be so important by the new leader of the federal New Democratic Party that she insisted on stealing my copy from my office last Saturday and I am sure that she has read it all by now. But it is the document that we are presenting to the public accounts convention.

Mr Cousens: Are you referring to this document?

The Chair: Yes. This is the document that has been three years in the making, so to speak, and for some of you who are new to the committee, there are public accounts committees across the country that perform perhaps what can only be described charitably as less effectively than ours. It was felt that we should try and set some general standards for the operation of public accounts committees.

So, Ray, if you would like to lead us in the discussion of this because it is important that members of this committee be fully aware of what it is that we are proposing. When you go to the conference you will be dealing with some members from some other provinces who perhaps are less enthusiastic than members of this committee on this document and have not seen the benefits of some of the processes that we are advocating. So what I am saying is that you are the salespeople for this document and therefore you should understand that as comprehensively as possible.

Ms Poole: This is a fairly comprehensive document. When I looked through I was quite impressed by it. But I wondered, in

your briefing, Ray, if you find an area where Ontario is not already following these procedures or not following this philosophy, if you could highlight any areas where there might be a difference.

The Chair: Ontario has gone beyond, I think, what is advocated here in some instances and you will see that in words such as, "In certain jurisdictions, the following is followed," which is as strong a recommendation as we could get. That is usually Ontario that is doing that. In this document there are only one or two proposals that we strongly disagreed with. Refresh my memory, Ray, is there the recommendation—or did we get it watered down—that you are allowed to call cabinet ministers?

Mr McLellan: I will get to that; that is debated in here.

The Chair: It is one of the areas where we disagree.

Mr McLellan: But its concern is surely in opposition to it because it leads into that partisan area.

The Chair: It is our position, I think it has been the committee's position, but it has certainly been very strongly my position that cabinet ministers not be called before the committee, and that is not agreed to by all jurisdictions.

Mr McLellan: I agree with what you are saying. It is a fairly long document, but I think really, in having a chance to read it over the last day or two, it can be watered down to about a dozen issues. Further to the Chair's comments and also Ms Poole's comments, I think Ontario seems to be taking, or clearly is taking, a leadership role and has taken a leadership role throughout this document. It seems to me, in having attended the conference last summer, that Ontario has to be careful not to be too much on the leading edge to the point of being criticized as, I guess, a know-it-all committee. I guess we have to back off to a certain extent, and let other people have a chance to say something and perhaps take a bit of a leadership role. But nevertheless, we are in the forefront.

I do not want to bore you with a lot of detail here, but I think if I am going to prepare a fairly brief document in the order of maybe four, five or six pages for either the Chair or another designated member to make comments in Newfoundland, I will have to at least wade through some of those dozen critical issues and that will give me some direction for that brief document. This is what I am trying to get out of this meeting, if the Chair agrees with it.

1030

As I say, the grey guidelines volume was issued a week ago. I prepared a brief memo on what I thought were some of the main dozen points in that document. I am going to give a brief overview of the guidelines this morning, and I can do that fairly quickly. We have, as I say, about a dozen or a dozen and a half issues that we can touch on.

I think another point that I will try to address in my paper is those aspects touched upon in this document that distinguish Ontario. It seems, as I say, that we are always on the cutting edge and we are a step or two ahead of some of the other provinces. Then also I will make a quick reference to some of the points that were discussed in Edmonton in July 1989. Then, as I say, from that I will go on and try and prepare a document that we can use for presentation purposes.

So, very quickly, looking at my memo dated 10 April, we can see that the guidelines for public accounts committees in Canada were discussed in 1989 in Edmonton, and really the

nuts and bolts of the document are dealt with in the summary of guidelines, which I have appended to that memo. There are essentially 26 subjects dealt with in there. Most of those 26 I do not think really would be the subject of a paper of mine, based on the committee's comments.

In 1987 at the conference of the Canadian Council of Public Accounts Committees it was decided to draft terms of reference and to proceed to develop guidelines of a model public accounts committee in Canada. As I say, we had a chance to discuss that in 1988, then subsequently in 1989, and again this summer.

Really what we are looking at here is the role of the public accounts committee, the responsibilities of that committee and the rights of that committee. Moving on to page 2—I will refer to these a bit later—I think there are about eight or nine points that distinguish Ontario in areas where we are moving perhaps forward and beyond some of the other provinces. I guess one of the points might be the fact that now we issue reports in two languages. But I will touch on those a bit later on.

On page 3 of that memorandum there are possible subjects for discussion in the guidelines text. These points on page 3, starting with number 4 through to 23, those dozen items there are really the focus of our discussion, I think, today. In the summary, on page 4 of the memorandum, you can see I have numbered all of the issues under discussion here. They start, "Committee's Role," "Committee's Responsibilities," and "Committee's Rights," and they run from 1 through to 26. All of this material is included in the memorandum.

In the conference last summer—and I will touch upon these again as we go through—the issue that seemed to be of most concern in that discussion was the non-partisan role of the committee, and this refers back to what the Chair has just been talking about: that is, bringing the minister in and the complications that may lead to.

As the committee at times may start to shoulder up and touch policy issues we have to back off and, as this committee has done before, refer them to other committees.

There was a discussion of the role of the media and the extent to which this committee fosters positive relationships with the media to, in turn, pass information along to the public.

Australia made the point in the meeting last summer that the PAC should not reflect legislative concerns directly—in other words, bring them from the House into the committee.

Quebec stressed that ministers are responsible and managers less so, whereas this document puts a great deal of emphasis on the responsibility of those managers and other bureaucrats.

The whole discussion of transfer payments was brought up last summer. British Columbia was very interested in that.

There was a discussion of special reviews and the authority of the public accounts committee to ask the auditor or Auditor General in its province to request special reviews, as this committee did in the case of Ontario Place, and the benefit of being able to do that with legislative authority.

Also, there was discussion about withholding information by government from the committee, which would prevent the committee from exercising its mandate, and then also the benefit of televised hearings.

So those are some of the points, before we get into the grey document, that were discussed last summer and seem to require some follow-up. I think many of those issues are fairly straightforward and certainly have been resolved as far as this province and this committee are concerned.

Moving on to the grey document, I will refer to the page numbers here if you want to have a quick reference to them as we go through. There are, I think, about 18 items in the grey document that are worth looking at.

On page 7, the guidelines and objectives of the process the council outlined, it says, "Much of this study seeks to strengthen the effectiveness of public accounts committees through recommendations directed to the structure, functioning, and resources of the PAC itself." The council goes on to discuss the examination of the budget and estimates, which are not relevant to this committee.

Then on page 8, discussion of public accounts: "The final phase of the accountability cycle is the review of the public accounts by the public accounts committee." Of course, our focus is the public accounts as well as the auditor's report, which is discussed on page 8.

On page 11, under the subject of "Chapter 2, Role," there is a discussion on the non-partisan character of the committee. In that second paragraph it says, "If the PAC is to meet the growing challenges placed upon it, and achieve its full potential to improve the value for money obtained from government expenditures, it is essential that its work be conducted in a non-partisan and open atmosphere."

In the last paragraph on page 11 the last line says, "If committee members try to bring partisan politics into the work of the PAC, it will be disruptive and will reduce the PAC's effectiveness and credibility."

The Chair: Judging from our experience, that may seem like just common sense to you, but when you meet with some of the people from some of the other provinces, you are going to see that it is like guerrilla warfare out there in some those committees, even to the point where we have had one example where a government changed the room number of a committee so that opposition members would not find their way to the room. It is right out of a fiction novel. So just be prepared for some pretty weird things that are happening in some of these other provinces.

Mr Pouliot: Excellent indeed—nothing short of that. I have to say this. Partisan, non-partisan, and you have mentioned the expression "guerrilla warfare." We are a perfect example of civilized guerrilla warfare. I do not have a great deal of difficulty, for I know that we try very hard to be non-partisan. Having said this, it would pure fantasy not to readily agree that we are partisan by virtue of the system of due process, of appointments, the reason we are here, why the opposition is sitting here, why traditionally the official opposition has been granted the chairmanship and vice-chairmanship of the committee. It is not by accident.

Interjection.

Mr Pouliot: Okay, you do not have to agree, but the thing is, if it is partisan or non-partisan, it is amazing, and the records will attest to that—you can never agree with me, Joseph, unless you have got a huge increase, I know—that on motions, when the chips are down and when we need to do our jobs specifically and we see that there are some deficiencies that should be investigated, it is almost always us who come up with a resolution, and it is almost always the government, not only here but in other legislative and national assemblies across the country, that votes against it.

If the government of the day will risk becoming embarrassed—it is amazing how quickly we cannot resist the temptation to go back to our own political fold, and then we will have

a little bit of recess; in other words, we all get our marching orders. We are very civilized; we come as close as it is possible, given this process we have to evaluate under, to being non-partisan; that I can accept. But I have some difficulties digesting that we are non-partisan and guided by non-partisanship for the many examples we all have, the very appointments of Mr Philip and myself as chairman and vice-chairman, respectively, the seating arrangements, the numbers of people on committees, for instance, to decide on some important matters.

We recall—everyone does—dozens, literally dozens, of vivid examples where the opposition voted in one way and all the government members voted in a different direction. If that is not partisanship, I wonder what is.

1040

Mr Cordiano: I think you have a good point. Of course you make a realistic point.

The Chair: I think, Mr Pouliot, you should be reminded, though, that there have been only two votes in this committee in something like two and a half years. We have turned out some fairly tough reports which the government members went along with and signed their names to, and indeed some of the toughest recommendations did come from government members. I think it is a pendulum.

We certainly may not be as non-partisan on this committee as the Australian public accounts committee, but compared to others in Canada, with perhaps our federal counterparts being similar to us, we have achieved less partisanship.

Mr Pouliot: I have tried to be totally non-partisan.

The Chair: I have noticed that, yes.

Ms Poole: I agree with Mr Pouliot and many of the comments he makes. We are not a non-partisan operation in this Legislature and anybody who thinks we are is living in fantasy land. However, that being said, we have to recognize that on many occasions we have been able to work together in a relatively non-partisan fashion.

Certainly since I have been on the committee—and I have only been on a short time, since last fall—there are instances where the opposition members have done their job in trying to get at the root of some of the difficulties they see with a particular agency and where the government members have been driven to defend that particular agency. But I would say that has been in a minority of situations. In most cases I think members have worked together with goodwill. As the Chair has pointed out, in a significant number of reports the government members have been the first to recommend fairly stringent regulations. In the final analysis, I think we all are here to see if we can get value for the dollar expended.

I think, compared to many other jurisdictions, we do work in a relatively non-partisan operation. That is probably the most we can expect under the current rules under which we operate.

Mr Leone: You were mentioning about the various opinions of the other provinces. Can you tell us which are the ones that have the opposite positions of our system here in Ontario, if it is proper?

The Chair: Probably one of the more difficult ones is British Columbia, where they have a pretty good and knowledgeable Chair, but where the government simply does not allow anything of any consequence to come before the committee. It was a major accomplishment last year where they were actually able to turn out a report of six days of hearing, so

you are talking about 12 hours probably. At the opposite extreme of the ultimate in efficiency would be probably the Australians, the British or some of the other Commonwealth jurisdictions.

Mr Cordiano: Let's take into account the British parliamentary system where not every vote is considered to be a whipped vote, where members of the government can actually vote against the government, and as a result there is a greater degree of flexibility and independence of members of the House of Commons in London. That, to a large extent, gives members a greater degree of independence in their function as members of a committee such as this.

I think what we have to do is analyse our system if we want really to get to the crux of the kind of independence and the role of the members of the Legislature. If we do not like the system, let's say so. I think we need greater independence. I am not saying this is the issue before us here, but to kind of skirt around it and say, "There's a non-partisan atmosphere here," I think to the best possible—

Mr Pouliot: That I can accept.

Mr Cordiano: Yes. It is as close as we are going to get to that kind of situation, given the constraints on the individual members of the House and the way the system structures things. It is not the members. It is not putting a finger on members and saying, "You have to be more independent in your role." It is the actual system that we operate in and I think that is something we have not come to grips with, I suppose.

The Chair: I agree with you on the points you are making, except that the way in which we try to deal with it in this report and in public accounts, and why I feel so strongly that you do not bring cabinet ministers before you, is that our role is to deal with the bureaucracy.

Mr Cordiano: That is a good point.

The Chair: As long as the public accounts committee functions on the bureaucracy and not on bringing a minister before the committee. We have to constantly emphasize this and it has been a major problem.

Mr Cordiano: I agree wholeheartedly.

The Chair: The moment you bring in a minister, then the government members feel they have to defend the minister. They feel less committed to defending a deputy minister who may really have made some major errors in judgement and wasted a lot of money by making wrong choices.

Mr Cordiano: Really, it is a conflict of interest, is what I am trying to say. If you bring a minister of the crown—which, I agree, we do not do, but in other legislatures perhaps that has not been the rule, I do not know—but that makes it obviously a more partisan atmosphere because it is a conflict of interest. That is what I am trying to say, essentially, that the role of the members is to—if you are part of a party—you see, my good friend Mr Cousens, some of the antics that are taking place at the federal level—not to point a finger, but this has happened in other parties.

But more recently, what is happening is that these people are jettisoned from their caucus because they fail to follow the party line. My God, you know, that is part of the parliamentary system that we have in effect in Canada. I do not know how you get around it.

Mr Cousens: I think something is happening within the committee right now which is very worth while, because I think there is a sharing and an honesty that has gone on here in the comments that have been made by all members of all parties. I would really enjoy an opportunity at some point—it may be well after our visit to Newfoundland this summer—if we could, as a committee, just review how partisan or non-partisan we are going to be; if we could even think through our responsibilities in the light of our party responsibilities, because—I will put it on the table.

When I was on this committee back in 1981-82, I was on the government side and, after raising a number of questions, I was not so subtly removed from the public accounts committee. I am now back on the public accounts committee, but I am in third-party status and it is quite a different situation within our caucus as to what I can do or cannot do. I am quite prepared to discuss the change one goes through, that metamorphosis from being on the government side and now being in opposition. Somehow or other, there is a way in which the responsibility we all share can somehow, not be homogeneous, but that we can somehow work more effectively to make it a better government as per the initial concepts of this.

The Chair: It might even be useful to invite somebody like Aileen Nicholson and Alan Redway, who have gone through that process in Ottawa and who have managed to be very effective members of the public accounts committee while still being members of the government. That may be useful.

Mr Cousens: I think it is worth tabling at a future time.

Mr McClellan: Moving on to page 13, we have a discussion of perhaps issues of broader substance. We get into the discussion of the audit of crown agencies and also the subject of transfer payments. Transfer payments is a topic that is currently under discussion in committee.

On page 13, under "Crown Agencies," the report says, "Public accounts committees should have a clear, formal mandate to scrutinize the activities and operations of all crown agencies and corporations in which taxpayers' funds have been invested...."

The next paragraph goes on to say, "Ontario amendments to the Audit Act in 1978 gave the auditor a mandate to do value-for-money auditing and extended that mandate to most crown agencies as well as government ministries." Here we get into the references to the Ontario experience.

The last paragraph on page 13 is a further discussion of the accountability and mechanisms for crown agencies. The report says, "Not all jurisdictions have formally established the mandate of the Legislature to hold crown agencies accountable." So we can see the variation in the extent to which the public accounts committees have access to this information.

1050

On page 14 we discuss the transfer payments, as I say, a topic that is under discussion here in this committee. Transfer payments, as most of us are aware, are funds paid to organizations and associations to enable them to deliver service to individuals, for example hospitals, schools, universities and municipalities. That seems to be the focus of this committee's concern.

Moving on to the third paragraph on page 14, there is a discussion again of Ontario's experience. It reads, "In 1978, the amended Audit Act gave the Ontario Provincial Auditor the power to conduct inspection audits (financial regularity and compliance) of transfer payments to organizations."

I will not get into it right now, but we are aware of which facilities the auditor is currently conducting audits on, that is, universities, hospitals and also school boards. As we know, without getting into the specifics of our recent discussion with the auditor on transfer payments, that is an area that this committee will be pursuing in the future for further scrutiny.

Ms Poole: Just before you go on about the transfer payments, we had a very interesting discussion with the auditor a number of months ago about possible amendments to the legislation to give him more empowerment in this area. Can we have a status report on what is happening with that or is that to be brought up at a later date?

Mr McLellan: If I could just comment here, I know this is on Hansard, and my impression is that discussion with the auditor has not been made public yet. That is why I have not gone into the details of that.

The Chair: I would rather that we not deal with the contents of that, since we are still working on it and it is not public information yet.

Ms Poole: That is fine.

Mr McLellan: I have written a report on that and it has been submitted to the Chair and also to the auditor for preliminary comment. That was perhaps a week ago.

The Chair: Once we eventually have it passed in one form or another by the committee, then it becomes public information. I want the freedom of members of the committee then to hopefully agree with what we are proposing, but I do not want to announce the proposals until we have had the committee pass them.

Mr McLellan: To continue along under the subject of role, on page 16 there is discussion of tax expenditures. Here we are talking about tax credits. In the second paragraph on page 16 it says:

"Although tax expenditures have grown in recent years to a magnitude similar to government's direct expenditures on goods and services, they are only beginning to receive legislative scrutiny. This is largely due to the fact that they do not involve collection or direct expenditure of funds; rather, they confer a financial benefit on an individual or organization through a decision not to collect taxes or revenues which would otherwise be owing, in order to achieve a policy purpose."

Here the report makes reference to billions of dollars in tax credits and how these are handled with respect to legislative scrutiny.

Moving on to page 17, again under the subject of role, there is discussion of the non-policy aspect of the public accounts committee, a subject we led off with. It says at the top of page 17 of the report: "The public accounts committee should not concern itself with the policies of government or with determining if they are good or bad. The committee should be concerned with ensuring that the policies and programs of government are implemented in an effective, efficient and economical manner, and that the taxpayer is receiving value for moneys spent."

Moving on to page 18, again under the subject of role, we get into a discussion of the value-for-money mandate. It says in the report at the top of page 18, "In the late 1970s, the legislation of the federal Auditor General and several provincial auditors was amended to establish a value-for-money mandate, charging the auditor to examine whether money was being spent with due regard for economy and efficiency and whether

the effectiveness of program delivery was being measured and reported on."

The value-for-money subject has been a matter of debate. It says in the second paragraph: "Some resistance has been experienced from government agencies and other critics, who have expressed concern about the lack of established methodology and techniques, particularly with respect to the auditing of effectiveness."

"The auditing progression is seeking to address these concerns through the Canadian Comprehensive Auditing Foundation." Some members attended the conference last fall of 1989 in Toronto and had the benefit of hearing about the CCAF. Essentially, this foundation is a forum for discussion of the comprehensive audit, which is an examination of both financial and management controls including information systems and reporting practices, and recommends improvements where appropriate.

But the thrust of the CCAF and of that practice I am sure the auditor could probably comment on and elaborate more than I am able to, but it deals with the financial, human and physical resources and the management of those, with due regard to economy and efficiency and effectiveness, and also accountability relationships. Whether the members want to comment on the value-for-money auditing and where it is carried out, maybe that is a subject we can touch on a bit later.

Moving on to page 19, again on the subject of role, we get into the discussion of the principle of public service accountability. It is starting off on the top of page 19, "Public accounts committees should hold public servants accountable for their performance of the administrative duties and implementation activities which have been delegated to them." In the third paragraph in the middle it says, "It is appropriate that these people be held accountable for their decisions and actions, and it is not acceptable for them to be able to use the principle of ministerial responsibility when they are asked to account for their decisions and actions," perhaps the subject of some debate.

Moving on to page 20 in the middle, the second paragraph says, "In 1982, the Ontario PAC established the principles that the deputy minister should be the focal point for dealing with the PAC, and that officials could be called before the PAC even if they were no longer serving in the area under review," which has been the practice in Ontario. On page 21, continuing under the subject of role, we discuss legislative accountability, a priority in reform, and this continues the discussion of the public servants' accountability.

The Chair: One of the key points here is that the public servant is accountable even after he is no longer in the office. You will find that in some provinces that is not the case. Since we have started that, I think it has been shown that it deals with the problem of the revolving-door deputy minister.

I think in Ottawa at one point somebody did a study that showed that the average tenure of a deputy minister was 18 months, so that by the time the public accounts committee called to have somebody accountable for his or her actions, the person was no longer the deputy minister and it was the successor who said, "Oh, that was terrible, but of course I am correcting it and it would never happen under my administration." It was one of the concerns particularly of Alan Redway, I recall, a few years ago, and so we have resolved that with that one clause, one practice.

Mr McLellan: The report, on page 21 in the third paragraph, goes on to outline a federal survey. I do not have access to that survey and I have not read it. It opens up the whole issue

of responsibility and accountability. For example, they make reference to, "An attitude survey in the late 1970s indicated that only 10 per cent of senior civil servants in federal central agencies felt accountable to Parliament," perhaps some interesting findings. I guess they need some interpretation.

Carrying on on page 22, the relationship between the PAC and the auditors: "The PAC and the auditor must work together to achieve maximum accountability to the Legislature....The PAC plays a critical role in giving a public hearing to the auditor's findings and ensuring that the government responds to identified concerns." It goes on to say in the third paragraph on page 22, "The committee and the auditor should maintain an effective working relationship with each other."

Ms Poole: In our particular jurisdiction, we have quite a close working relationship between the auditor and the public accounts committee. I seem to sense they work in tandem and hand in hand and try to achieve the same goals. I assume that this is not true of all jurisdictions.

The Chair: It is interesting to see how physical arrangements in a committee can often tell you a lot. If you go to Ottawa, you will find that the auditor will be sitting down as a witness and in the same way as our Ombudsman's committee works, that the Ombudsman is there, the ministry is on the other side and the committee sees itself as adjudicating between differences of opinion. Here, of course, the auditor is seen as a partner and the witnesses are the deputy ministers and the bureaucracy.

In other jurisdictions—Australia, for example, and some of its jurisdictions—the auditor does his own thing and the public accounts committee, with its researchers and its auditors and other people working for it, does its thing, and sometimes they do the same thing and they co-operate. New South Wales would be a good example of that, probably; in other states in Australia they would be much closer to ours. So it varies.

1100

Ms Poole: Would there be a lot of resistance from this kind of close relationship with other jurisdictions in Canada? Would they be likely to object to this kind of proposal?

The Chair: In most other jurisdictions the auditors wish that they had the relationship with their public accounts committee that our auditor has with us.

Ms Poole: I was thinking actually more from the committee's standpoint. If we are to discuss this at Newfoundland, are we going to get a lot of resistance to this idea that the auditor and the committee should work as a partnership as opposed to an adjudication process?

The Chair: Mr Otterman, what do you think?

Mr Otterman: I think you could get that resistance from some jurisdictions, because you have to ask yourself why they have not followed some of these other practices, like Ontario's. Clearly, in some of the cases they do not even meet with the auditor except once a year, or never. It is from one end of the scale to the other.

The Chair: The tragedy of that system, of course, is that often a public accounts committee is operating without any kind of information, because they not only do not have research staff in some jurisdictions but they do not have the benefit of the auditor's research and audits. They go through an exercise, and no wonder then that it becomes polarized, because if you do not have the facts, then you are dealing in suspicions, in half-

truths, part-truths or no-truths. Immediately then, the committee becomes very polarized because it is not dealing from any kind of verifiable database, be it research on its own part or the auditor on his part.

Mr McLellan: If I could just add a comment to that, I think the experience, certainly as far as research is concerned, is that the auditor's staff are a very, very valuable resource. The majority of my information comes from that staff, and they are able to scrutinize and offer suggestions and make recommendations to me in arriving at a research position. They are extremely valuable to legislative research, because we certainly do not have the time to go out and go through the audit documents and try to retrace the steps of the auditors. It is virtually impossible when we are dealing with the number of audits we are dealing with. It is a very positive relationship.

The Chair: I think it is fair to say that when I talk to other chairs of other committees, be they in Manitoba, British Columbia or Alberta, the thing that they certainly would choose as the first item on their wish list, if you want, would be research resources for the committee, and they do not have it in other provinces. Alberta may have a researcher. Do they?

Clerk of the Committee: I am not sure.

The Chair: I do not think the other provinces do.

Mr McLellan: It is amazing how haphazardly some of them are organized.

The Chair: Newfoundland has a researcher and a clerk.

Ms Poole: Is it that the government will not commit the resources to the auditor's office to do it?

The Chair: Or to the committee.

Ms Poole: Or to the committee?

The Chair: Yes.

Clerk of the Committee: If I could just clarify something, Ontario and Ottawa are really the most advanced committee systems. When I worked in Manitoba, I was the one committee clerk for 11 committees. There was no research staff, and you had the clerk, the deputy clerk and one committee clerk. That has changed now in the few years since I have been gone, but this is the way a lot of the smaller provinces operate. You have one committee clerk who handles the majority of the committees. You do not have research staff and the committees do not meet on a regular basis.

There is none of this sitting intersessionally and you do not have regular days during the House sittings, although in Manitoba we would go through, more like government agencies can call in the crown agencies. But basically you are looking at a two-hour meeting for each of the crown agencies.

I think the standing committee on public accounts had two two-hour meetings to go through more the accounts of the province and not the auditor's report. That year, that was all public accounts' man-hours. So you have to understand and put it in that frame that the committees are not meeting; they are not doing anything. There is not a commitment on the membership to go out and investigate things and to follow up on what the auditor said. Does that help you a bit?

Ms Poole: Then do we run the risk, as Ray pointed out, about being on the cutting edge and many of these findings just being totally ignored because they will say, "We have neither

the size nor the resources to do things like Ontario, so it is unrealistic?"

The Chair: The problem is that some provinces, such as Manitoba, do have the resources and are dealing with fairly substantial budgets, not compared to Quebec and Ontario, but they are certainly dealing with large budgets. When you get into someplace like Prince Edward Island, where you are dealing with a budget that is probably smaller than the city of Etobicoke's budget, or the city of Scarborough, you are dealing with a different kind of situation. It may well be that they have good reasons for not doing things because of the scale of their operations.

On the other hand, you have the Yukon, which has had a fairly effective public accounts committee, which is the whole Legislative Assembly and is chaired by the leader of the opposition party, and yet it has managed to operate pretty effectively. So it is not necessarily true that just because they are a small province they cannot run an effective public accounts committee. Certainly the Yukon, in some years, has done fairly good things.

Mr McLellan: I think can get through the next few points fairly quickly. On page 23, under the role, we discuss the relationship between the public accounts committees and government. Here the report emphasizes the importance of maintaining a constructive working relationship with government. Here the indication is that the committee hopes, or the report suggests, that this would allow the committee's recommendations to be acted on in a positive way reasonably quickly.

On page 24, we continue on to talk about the role of the bureaucracy, and the report suggests in that second paragraph on page 24, "A useful measure might be to undertake a study to survey public servants' current level of knowledge of the PAC's role." Here they are discussing the possibility of increased communication between the public accounts committee and the public servants and also training of the civil servants to ensure that they are aware of how the public accounts committee operates and the mandate of that public accounts committee so that they are aware of questions and issues that could be brought before them during a committee hearing.

On page 25 we are continuing on to discuss the potential role of the media, and I think we referred to this a bit earlier, the fact that the media is an important conduit for informing the public about the proceedings of the committee.

Moving on to the rights issues, on page 37 we discuss fairly quickly here that the public accounts committee shall have permanent referral, as they become available, of the public accounts; the auditor's reports on the public accounts, which is a concern in Ontario, and then other issues, all financial statements and auditor's reports on all crown corporations.

Mr Cousens: I am back on page 23. The problem I am having is that, for instance, last session when the St Lawrence Parks Commission came in, it had not followed through on recommendations that were made in 1987 or 1988. It seemed to be total disregard of our recommendations. I have a frustrating feeling that sometimes we make recommendations and nothing is done about them.

To me, that was an example that there really had not been sufficient follow through on that. Somehow when we are saying, "We have a chance to go back to government," there is not always that experience where we know they are listening.

The Chair: This has happened less since we adopted a number of new techniques in the last few years. One is the

recall, and I think you saw, and indeed I have had feedback from the field that the St Lawrence Parks Commission on its second appearance certainly was told, in no uncertain terms that we expected certain action.

The second is having the auditor do a follow-up and the third is turning out special reports, which tends to have more effect on important issues than just an annual report which they get maybe nine months after they have made their appearance.

So all of those techniques seem to work, and in some jurisdictions, like the Australian House of Commons, the chairman of the Treasury Board is responsible for implementing and reporting back to the committee, assuring the committee that the recommendations have been followed up and that they are being implemented. We prefer to call the ministries back ourselves rather than turn it over to the Treasurer, or in our case it would be to Management Board to do it.

Mr Cousens: To me, it may be a subject that we can look at another time. I realize we are reporting what exists today. I think that there could well be another mechanism for the chairman to be able to have an opportunity in the House with committee reports, where there is an opportunity to table certain concerns that come out or even a few moments, not necessarily a debate but for public recognition of certain points that are being made by this committee.

The Chair: It is an interesting idea because we might well, at some point—and we have done this in our reports, interestingly enough—turn out a report card perhaps on certain ministries or something like that.

Mr Cousens: That could be dangerous if we are going to be friendly, but I think there could be specific things where we would have an opportunity in the House, within the standing orders, for you as a chairman to have a limited amount of time slotted in that you could sort of make the point, rather than use statements. But there should be that chance so that we can force the House to become aware of those. I do not think people like to see themselves on television if they do not have things just going right.

Mr McLellan: Just to continue, actually, if I can just make a comment on something that I said a bit earlier when we were discussing public accounts committees in other provinces, I think we have to be very careful. Perhaps my comment might have been taken as a critical comment, but I think their structure might not be as rigid as ours. We have a very clear mandate for research and, obviously, the clerk's role. It is very structured and organized. Other provinces are not quite as structured as ours. They may, for example, have consultants carrying out the work of research, but I am sure theirs work quite effectively, and certainly not to criticize those other public accounts committees.

Carrying on, on page 38, the special request for special reviews by auditors. That is something Ontario does on section 4.3 at the bottom of page 38. "The committee may at times decide to investigate some matter in the public accounts to which the Auditor General has not referred." It is not perhaps covered in the annual report or elsewhere. That is on page 38.

The Chair: That is done in other jurisdictions, other Commonwealth countries.

Mr McLellan: Carrying on to page 39, again on the rights issue, at the top it says, "The public accounts committee shall be required to report to the Legislature annually, have the report debated in the House and have the right to request government

to table a comprehensive response to the committee's report within 120 days." In Ontario's case, when we make recommendations, sometimes we may say to report back within nine months. At times we make a specific reference to the allotted time; at other times we do not, and the extent to which the report is debated in the House, I do not think that this is—

The Chair: I argued at the time we were drafting this that I did not consider it to be necessary to have the report debated in the House. That is from my experience with other reports, because what has invariably happened in the House is that, where we have debated public accounts reports, the public accounts committee members come in, they speak in the House and they debate over again the same report that they debated. They conclude that it is a marvellous report which they have written, and I am not sure that an awful lot is accomplished by it.

I think the tabling of the report is what gets the attention and the action rather than the debate in the House, particularly since committees like this are televised, so it has the same effect. But other provinces feel strongly that it has to be debated in the House, so that is why that is in there.

Mr Cousens: I guess I am coming back with more of that feeling for more dialogue in the House on it than just the tabling. Not that I differ with you strongly—I am not about to make recommendations on it—but I think there is an advantage—

The Chair: Good luck if you think you can convince the House leaders of that.

Ms Poole: I would tend to agree with the Chair in this matter about debating in the House, because there is no more partisan forum than the Legislature. I can tell you, if you start to have every report debated in the House, particularly some of the more controversial ones, it will become a political forum and you will find government members of the public accounts committee who will start to vary their stance because we are once more in a political arena. I think you will also find the opposition members will start to be far more partisan. I think it works relatively well the way it is, and I would support the Chair's contention that doing the reports in the House may not be the most productive way to get our point across.

The Chair: It is an interesting argument. It is not one that I have made, but I certainly will now use it as an extra argument for the position I have taken. It is something that we can discuss. I do not think that removes Don Cousens's concern of perhaps having a special type of report, not our usual reports, done in the House, perhaps once a year or something like that.

Mr McLellan: Continuing, on the top of page 40 there is review of new legislation pertaining to the Audit Act and the extent to which the public accounts committee either has or does not have access to that prior to the introduction for final reading.

Finishing off, moving to the end—"Committee Reports"—it is interesting, in the recommendations on page 80, the way in which PACs may make recommendations. Point (iv) says, "When making recommendations it may be best to recommend the results desired from the changes rather than detailed step-by-step recommendations of exactly what should be done. The details might best be left to experts in the various fields," which is, I think, the situation in Ontario. We make a specific request for desired results.

On page 85, "Follow-up," the clerk of the public accounts committee in Ontario has a detailed volume and records outlin-

ing exactly when recommendations are made, when they are to be followed up on and when the PAC is expecting responses from the various agencies. That is a detailed way in which to check to ensure that there is compliance from the various branches and agencies.

Those are the main points, as I said, from the grey report. Just very quickly, to finish off, if you could allow me one more minute, I had started off by saying that there are things that happen in Ontario which seem to distinguish the work that this committee does. We have dealt with the special audit. This discussion now is on page 2 of my memorandum. This committee exercises its rights under the special audit section. We have had audits done, for example, on Ontario Place. In the past, rather than just the once-a-year annual report which the guidelines emphasize, this committee also has used interim reports for various purposes, to release information of a timely nature.

Something else that this committee has spent a great deal of time on, similar to the Australian experience, is the use of field visits. I think the Australian experience was for the committee to break into two or three groups and go off to visit various offices throughout New South Wales.

Second, we have emphasized the importance of field visits to give practical recommendations to the auditor and to outline in our reports. Also, on the issue of policy debates, this committee has exercised discretion in trying to avoid policy issues. We have used the option to have detailed reporting back by the auditor, either refer issues to the auditor or ask the auditor to follow up on certain points in subsequent audits. As I say, the clerk has a detailed follow-up schedule to ensure compliance.

The next subject is what Ms Poole brought up on the transfer payment recipients, hospitals and universities. That is the subject of ongoing discussions in this committee and a point that was debated at some length last summer in Edmonton. Finally, the use of in-depth briefing is an advantage that this committee has through legislative research. I think those are maybe some of the strengths and new areas that this committee has been looking at.

1120

The Chair: You will find that the Ottawa committee initiated some of these, and we have gone a little bit further than the Ottawa committee in some areas. Aileen Nicholson provided a great degree of leadership over a period of years. She understood what was going on elsewhere in the world and adapted it to the Ottawa scene. With her not at the convention, we do not know yet who will be at the convention from Ottawa.

One of the things you will find, though, is that luckily we have been able to arrange that there will be representation there from Australia. While we are trying to persuade people of the value of this report, the Australians will be seen as the radicals, so they will take the heat rather than ourselves.

Ms Poole: Good planning.

The Chair: It is a little bit better than having us from Ontario take the heat from the west and from the east, as being the big, bad guys from Ontario telling everybody else what to do.

Any further comments or questions on this report? I certainly want to thank Ray McLellan for doing an excellent summary. Ray McLellan, Tannis Manikel, Doug Arnott and our previous researcher, Wendy MacDonald, have put in a lot of work, both here and with the subcommittee that drafted this.

Ms Poole: If we go back to Mr Pouliot's comments about the partisan nature of the Legislature and the spillover on to committees, he also made the comment that even in the way we have ourselves lined up with the opposition on one side and the government members on the other helps contribute to the partisan nature. Would it be worthy of a discussion at the next steering committee meeting whether we should perhaps if not break at least bend tradition somewhat in the public accounts committee and have our members as a mix from all three parties on both sides around the table?

The Chair: That certainly would be valuable. I think if you look at Ottawa, as I recall, in Ottawa there is no seating by party. We have tried that, interestingly enough, by just having the clerk put names out deliberately scattered. We find that it lasts for two weeks and then people go back to their old comfortable pew kind of system. But if the committee consciously did it and made that a decision, then I think it would be very helpful.

Ms Poole: But if you did it in alphabetical order, that would mean I would have to sit beside Mr Pouliot. He is so charming, he is quite distracting.

The Chair: I will not comment on that for anything.

Miss Martel: I have learned to ignore him; it is not hard.

Ms Poole: Shelley is immune.

The Chair: I sit beside Mr Pouliot in the House.

Ms Poole: Don't you find him charming?

The Chair: I find him interesting.

Mr Cousens: I think the committee should go on record. The chairman has articulated a view that I think the committee could endorse as well. I think an awful lot of work has gone into this. It is a statement that is well documented and it has a historical perspective. It goes into the duties and responsibilities that will be helpful for future members of our committee. It probably gives us a chance, as it already has in some of our discussions, to benchmark where we are today and where we might like to take our own committee. I would like to suggest a motion of appreciation both to the Chairman and to the members of the committee and our staff who have compiled this excellent document.

The Chair: There are some other people who have put a lot of work into it. Winston Baker is now the Chairman of Management Board or Treasury Board, whatever they call it in Newfoundland. As opposition leader, he chaired the initial committee and was chairman of public accounts. Certainly Barry Pashak, the Chair in Alberta; Darlene Marzari, the Chair in British Columbia; Aileen Nicholson, who was for many years the Chair in Ottawa; and people like Alan Redway were certainly very active in public accounts committees. So there have been a lot of people from all three different political parties who have believed strongly in some of the recommendations here. Hopefully, if we can get this endorsed at our conference, it will save a lot of money for an awful lot of provinces.

You will also find that some of the Australians have some other ideas that are perhaps more progressive than this. Some of you have hinted at some of those ideas in your discussions. Mr Cousens, for example, has talked about subcommittees. In Australia, subcommittees are based on interest rather than having a member from each party on a subcommittee. So when they go off to study something they have developed that spirit

of trust of one another that it does not matter if three Liberal members go to Kapuskasing to look at a certain thing, the other members of the committee accept that the report will be factual and that they can rely on it. That happens in Australia.

They also do not have substitutes. That is something that is a very big help, because unfortunately I find here that when substitutes come in they bring in some of their habits from other committees. That is rather difficult to control, not that members of our own committee do not occasionally do that.

Mr Curling: You have us well trained, Mr Chairman.

The Chair: I am hoping that we will all be well trained. It is a temptation that even the Chair carries over, depending on the last fight I may have had in the House. You grind your teeth then and say, "I'm in a different role here." Anything further?

Ms Poole: Just speaking of substitutes, last spring I had the pleasure of subbing in on the public accounts committee when the representatives from New South Wales were here. They gave a very fascinating insight into how the Australian system works, and certainly they are eons ahead of us in how the non-partisanship works. I wonder if we could obtain the Hansard from that particular session and provide it particularly to members who will be going to Newfoundland for the conference so that they could have some idea of what the Australian system is all about, or was that in camera?

The Chair: We will see if we can find it, but I believe that was an in camera meeting so we may not have a Hansard. I

probably have some notes and maybe Ray has some notes. We will try to put something together.

Ms Poole: I think that would be very helpful for us if the Australian delegation is going to be present and talking about some of their ideas.

Clerk of the Committee: The other thing I was thinking of as this conversation was going on was that maybe I should contact New South Wales and find out if they have any written material that we could look at on the staffing of their committees, how they are set up and some of the differences. If we could get that, I think it would be worth while. I can contact them and see what I can get from them. I also have some printed material, mostly reports, from different areas in Australia. I will look through those and see what I can find for the committee.

The Chair: Any further matters before this committee?

Mr Cousens: There was a motion.

The Chair: Oh, I am sorry, yes. I thought the motion carried.

Those in favour of Mr Cousens's motion?

Those opposed, if any?

Motion agreed to.

The Chair: The committee stands adjourned until 10 o'clock next Thursday.

The committee adjourned at 1129.

CONTENTS

Thursday 12 April 1990

| | | |
|---------------------|--|-------|
| Organization | | P-303 |
| Adjournment | | P-312 |

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: Philip, Ed (Etobicoke-Rexdale NDP)

Vice-Chair: Pouliot, Gilles (Lake Nipigon NDP)

Adams, Peter (Peterborough L)

Ballinger, William G. (Durham-York L)

Cordiano, Joseph (Lawrence L)

Cousens, W. Donald (Markham PC)

Curling, Alvin (Scarborough North L)

Harris, Michael D. (Nipissing PC)

Leone, Laureano (Downsview L)

Martel, Shelley (Sudbury East NDP)

Poole, Dianne (Eglinton L)

Substitutions:

McCague, George R. (Simcoe West PC) for Mr Harris

Stoner, Norah (Durham West L) for Mr Ballinger

Clerk: Manikel, Tannis

Staff: McLellan, Ray, Research Officer, Legislative Research Service

Witness:

From the Office of the Provincial Auditor:

Otterman, Jim, Assistant Provincial Auditor



Legislative Assembly of Ontario

Second Session, 34th Parliament

Assemblée législative de l'Ontario

Deuxième session, 34^e législature

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Standing Committee on Public Accounts

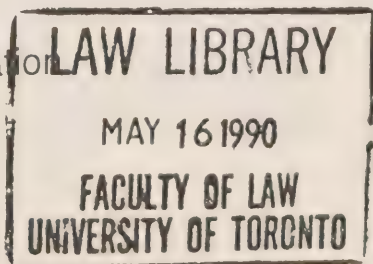
Annual Report,
Provincial Auditor, 1989

Ministry of Transportation

Comité permanent
des comptes publics

Rapport annuel de 1989
du vérificateur provincial

Ministère des transports



Chair: Ed Philip
Clerk: Tannis Manikel

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Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste des membres du comité et des autres députés ayant participé.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 965-2159.

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Thursday 19 April 1990

The committee met at 1006 in room 151.

ANNUAL REPORT, PROVINCIAL AUDITOR, 1989

MINISTRY OF TRANSPORTATION
(continued)

The Chair: I am going to call the committee to order. We have had notice from Mr Pouliot that he will be joining us shortly and to go ahead.

We are dealing with section 3.14 of the 1989 annual report of the Provincial Auditor. This audit of the Ministry of Transportation deals with three areas, namely, the examination, inspection and enforcement activity of the Ministry of Transportation.

What we are talking about is an expenditure in the vicinity of just under \$40 million; \$39.1 million to be exact. The audit of the examination, inspection and enforcement activity was conducted at the ministry's head office in Downsview and also included visits to five of its 14 offices. Over 80 per cent of the expenditures of the area under audit deal primarily with salaries and wages, and the audit objectives were to assess whether or not the examination and enforcement procedures were conducted with efficiency and in accordance with the ministry's established service and safety standards.

We have a number of very specific items that we want to look at, and perhaps for the sake of the deputy minister and the committee, I suggest that we break them down into a number of subcategories. That way we can proceed in an orderly fashion.

I will just list the categories: driver examination; the high rate of utilization of examiners; excessive backlogs of driver examinations; significant variances in pass rates; impersonation of applicants for drivers' licences, which was an area of interest to a number of people; delays in processing physicians' medical reports; lack of bus safety inspections; significant variations in inspection results, and enforcement initiatives. The whole area of monitoring of problem truck operators is another category we would look at.

In breaking it down into those several categories, I think we can proceed in a way that will get us through what is a fairly elaborate audit. Indeed, some of the items under discussion go back not just to this audit report but as far back as the 1984 audit. The auditor has pointed out that some of these are still outstanding, and we are hoping by the time that we now question the deputy minister, we will have seen some resolution to some of these long outstanding problems.

Our guests before us are Pat Jacobsen, the deputy minister, Margaret Kelch, the assistant deputy minister in charge of safety and regulation, Elmer Merkley, on the deputy minister's right, the director of compliance branch and Kim Devooght, the director of licensing and control branch. With me of course is the Provincial Auditor of Ontario, Mr Archer and Mr Osti, who has directed the audit, and we have a star cast of MPPs from all three political parties.

Mr Ballinger: Well, two parties anyway.

The Chair: You should not be that hard on your own party.

Mr Pouliot: You do have colleagues.

The Chair: Does the deputy minister have any opening statements?

Ms Jacobsen: No, we will handle each item as it is raised.

The Chair: Let's proceed then in the order in which I suggested. Perhaps we can start off with the high rate of utilization of examiners. Mr Adams, would you like to ask some questions on that topic?

Mr Adams: I would like to ask about the high rate of utilization of examiners and the excessive backlog at the same time. In the material, and I realize it was for 1988, it said that the backlog was roughly 100,000 applicants. I guess you process in the order of half a million a year, so that is about 20 per cent. In time, that is about two and a half months of work, which really is quite a lot.

In terms of the problem of getting rid of that backlog, and the auditor gave some reasons for it such as double booking and things like that, I wonder if you would care to comment on the various ways. One is that the automated road test booking system does not link the examination centres, and therefore clients can double-book an examination. Have steps been taken to address this problem? Then could you comment on the state of discussions with Management Board with respect to resources to address this backlog of two and a half months and 100,000 people?

Ms Jacobsen: I will deal with part of it and I am going to ask Kim Devooght to deal with the other part. In terms of the backlog, I think the committee should be aware that we did institute quite a session, where we brought our backlogs quite a bit under control. They are now within six to eight weeks 80 per cent of the time. So we have been able to remove most of the backlog that was identified in the Provincial Auditor's report.

In terms of resources through Management Board, we have been able to secure some assistance in that area; however, we are also looking at alternative ways to provide service that would in fact change the kind of demands.

I will ask Kim to talk a bit about the automated road test and how that is working.

Mr Devooght: There are two specific pieces to the answer. The first is that there is a pilot under way in the two large Toronto centres, the Brampton John Rhodes examination centre and the Scarborough driver examination centre, where we are using microcomputers to book road tests, and it is a local automated solution. You are right that double booking can still happen between centres using that. We are using it as a pilot test to see whether automation will help us. It has cleared up those problems inside those centres. What we are doing now is linking those two systems at John Rhodes and Scarborough and we are going to try that.

The long-term solution, however, is a distributed automated booking system on our mainframe computer system, and that is under development. You will be able to go into any examination centre in the province and book in any other, much like making a hotel reservation or an airline reservation.

Mr Adams: I am glad to hear that. Do you have any sense of how many of the 100,000 are real? For example, if there are 50,000 people double-booked, it is only half the problem, is it not? It is not half the problem in terms of the allocation of your resources. Have you any sense of that?

Mr Devooght: No, we do not have any sense of it. We do know there are some instances of double booking. In the large centres it has not affected our ability to deliver the product because we have a lot of people on standby. In fact, when no-shows occur, we fill in with those people on standby. So it has not affected our utilization, but it does sometimes present a number that is not necessarily accurate.

Mr Adams: That is the examiners on standby?

Mr Devooght: No, people—walk-ins.

Mr Adams: I see. Backups.

Mr Devooght: That is right.

Mr Adams: But the Provincial Auditor said in the first part, the rate of utilization of examiners, that they did appear to be being used to a pretty high level. Do you sense that is true, that your examiners are being fully used and they do not have much downtime?

Mr Devooght: I believe so. The wording in the report is a little misleading. If you have 100,000 tests in inventory, that does not mean they are all backlog, because you need a certain amount of work in the system to ensure that people are fully utilized. I do not think the committee would be very happy if we had driver examiners sitting around waiting for applicants to come in. I think we want to make sure that we have enough work in the system in all our locations so our people are fully utilized, and that is the case.

Backlog, in fact, is the number of tests above that acceptable inventory level. So it is the amount above six to eight weeks. I would not say there are 100,000 in inventory. In fact, we are running about 70,000 right now, and the amount in backlog, by definition of the amount above six to eight weeks 80 per cent of the time, right now is zero. There is not a centre in the province—I correct myself. Georgetown, where we have 83 tests booked right now, is about two weeks beyond the standard, but that is the only location I am aware of.

Mr Adams: You say your examiners are being used and there is this backlog. Okay, you can express it in these numbers, which may or may not be right, and then you can express that in time. You say six weeks; I worked it out as two and a half months. When you decide that perhaps it has grown too much, it is just too much, are there not people out there whom you could hire on a contract basis just to get rid of it?

Mr Devooght: Yes, there are. In fact, that is what the deputy described. Last year we had a service recovery initiative, and at the peak the numbers were quite high. The number of tests in inventory is not really the telling feature, whether it is 100,000 or 50,000. The question is, how long do people have to wait in the various locations? When you are up to 18 or 19 weeks, that is obviously excessive. We did have a specific service recovery initiative and brought it down to seven and eight weeks in those larger centres.

Mr Pouliot: Good morning. We meet so often. The reason I say so often is that it is always a repeat pleasure. It is like an ongoing meeting. The ministry is so massive that to some that would be a critique. It would appear to constantly be living in

sin. You go from monitoring compliance, you go from backlogs and so on—and I know like all of us you have social responsibilities—and you are able to reconcile the differences you must encounter, in your case obviously on a daily basis, from what we get from our Provincial Auditor and our renowned research department.

1020

We have been through trucking deregulation. Do you remember that? We have been through safety on our roads. Do you recall that? Do you read the northern press regarding head-on collisions and so on? I am not going to use the time of this committee like other people would in the House to talk to you about broken bones or broken backs and people not getting anything. That is not your department.

I do want to talk briefly about the 100,000 applicants who are waiting to take road tests. In terms of the backlog in your system regarding driver examinations, is it the same? Is it growing? Is it decreasing?

Mr Devooght: Our driver products are growing at a rate of around two per cent to four per cent per year depending on the product line. In driver exams it is increasing. The demand is growing and will continue to grow probably for another five to six years according to our projections.

Mr Pouliot: So simply put, you are falling further behind.

Mr Devooght: No, I did not say that. I said the demand was growing.

Mr Pouliot: I will rephrase this. You cut me off. We are going to do this together again. It is quite simple. You had at one time, in the latter part of 1988, as a backlog, 100,000 people waiting to be admitted to a test. What is your backlog now?

Mr Devooght: Right now, approximately 70,000.

Mr Pouliot: So you have gained 30,000?

Mr Devooght: Yes.

Mr Pouliot: How did you achieve that? Broadly summarize it.

Mr Devooght: Through last year's service recovery initiative, where we put additional staff on board.

Mr Pouliot: So you hired more people to deal with the problem.

Mr Devooght: That is correct.

Mr Pouliot: What is the terminology you used? I will use that once when I have to kill time in the House. Through the process of?

Mr Devooght: Service recovery.

Mr Pouliot: I am trying to keep it simple for all of us who want to know. It is no big deal. We are not talking about Greek mythology here or nuclear physics; we are talking about a backlog, about men and women in this province waiting to get their tickets so they can use the potholes—I mean the roads—in this province and prepare themselves physically and mentally for the task ahead, among others, of longer monster killer trucks perhaps in the future.

Discussions were under way with Management Board, the people who have the money, who can tell you, "Yes, as a minis-

try, you will have more money to deal with the problem," in this case a backlog of people waiting to apply for licences.

My colleague Peter Adams brought up an interesting point. Do you see the problem as being permanent or do you see the problem as being sporadic? With some injection of funds, for instance, contracting out, giving it to a body of expert people, is this a one-shot deal or is this an ongoing dilemma? You are now at 70,000, but next year it may be 50,000 or it may go back to 100,000. Is this an ongoing problem? Do you always have a huge backlog, or do you feel that if you can get rid of those 70,000 at this time, you will be okay and you can keep up? What is your forecast?

Ms Jacobsen: Certainly with the growth of drivers, we are concerned in terms of our ability to deliver. As I said, we got some relief in terms of our discussions with Management Board. What we have been looking at is whether there are ways we can clear up in terms of the duplicate numbers on the list, so that brings the list down.

Second, we are looking at the seasonal nature of the backlog, because the reality is that it is a cyclical business in that every spring there is a much larger number of people. We want to see whether through different ways of providing service we can deal with those peaks and valleys in terms of driver examinations.

Mr Pouliot: Thank you kindly. I was hanging on every word you said. I find it—

Ms Kelch: Could I just add another comment to that which might be valuable? The issue Mr Devooght raised earlier—and I think it is perhaps worth restating—is that the use of the term "backlog" is in some aspects not entirely accurate. To run a system where in fact you would have a driver examiner on call waiting for an individual to come in so that you could give a driver test would not be very practical. So really the use of the term "inventory" is more accurate. There is a certain amount of inventory required to run the most efficient type of driver test system in the province. The standard to which Mr Devooght referred, which is the one we apply across the province, is how long should an individual have to wait? The standard we currently have in place is six to eight weeks, so a certain amount of inventory is required to in fact meet that six- to eight-week requirement.

Mr Pouliot: Thank you kindly for informing the committee. I am not going to spend half a session Websterizing or Oxfordizing. I know that fiscal discrepancies sometimes rip off the consumer, but as a taxpayer I would call it a ripoff. Another day, perhaps.

I am curious and I want you to take this in context, please. It is just out of curiosity. We are aware of the immigration figures; we are aware of demographics, therefore, where people are moving. But we are aware in a roundabout way, if you wish. We have huge numbers. If 100 applicants show up at some centres, who are they composed of? Are those people immigrants recently arrived, future Canadians, if you wish? Are they people who are renewing or have lost their licences? What percentage are those? Because if I go to some centres, I seem to see a lot of young people. Do you have a composition of who your clients are? Not only those 70,000 people but the many thousands that you process daily or weekly, who are those people? Are they women, are they young, old?

Mr Devooght: Are you asking about new drivers entering the system, or all drivers?

Mr Pouliot: What proportion of processes are made out of new drivers? Either one, if you wish, new or old.

Mr Devooght: As the deputy said, we do about 460,000 tests a year, and the vast majority of those are new drivers entering the system. The majority of those are young people, 16 to 19, 19 to 24 years old. I have the number here and I can probably find it if you are interested in the distribution.

Mr Pouliot: Would they all be fairly fluent in the English language, for instance? Or let's say, would they all be successful in terms of reading the manual and passing? Do you have any comparison figures on that? What are my chances if I am from Hong Kong, I am a recent arrival in Canada and I jump through every loop and cross every hurdle, adhere to every criteria, but I have only been here for a period of two years? What are my chances of being successful on the first test as compared to someone who was raised in London, Ontario, for instance, and has had his education there and goes to the local office?

Mr Devooght: We do not have that information by nationality. I could not tell you what the chances are. I have no data.

Mr Pouliot: What you would have perhaps are requests to offer in different languages. My focus here is simple. It is to try to expedite the system by way of communication. What is the reason for the backlog? Is it that people are repetitious, that they fail? Is it just sheer numbers, is it no-shows? If they do not show up, why do they not show up? We are trying to clear the way here so that people get better value for money, if you wish, and just as important, the public does not have to wait to make a contribution.

Mr Devooght: To answer the first part of your question, as far as services to, let's say people who are not fluent in English or French, we do offer in the Queen's Park facility an automated testing facility that offers written tests in 12 languages—

Mr Pouliot: Wow, that is amazing.

Mr Devooght: —because you do not need to speak English or French to drive an automobile; you need to understand international road signs and rules of the road. We do offer that test, and it is a pilot, with an automated testing system.

Mr Ballinger: You would not be able to pass any of them, Gilles. You are out of luck if you have a car.

A couple of things I noticed in the auditor's report: Being on the public accounts committee, we have a real advantage because of the research staff and the background material that is provided for us. It makes our job a lot easier.

1030

Just for a second, in my own riding, which is Durham-York—sort of in the greater Toronto area, very quickly becoming urban, a lot of people wanting to live out there—of all the complaints I get about driver examination, it usually centres around intolerance and lack of courtesy as it relates to if you are in a busy office and everybody is busy, there is not the time. There cannot be. Human nature being what it is with the examiners, you just do not have the time to spend properly with constituents.

Especially when you look at where I am now, where licence plates are \$90—we have increased those by 50 per cent—I have taken a fair amount of criticism from constituents in my riding

about the amount of money they are spending that goes directly related to transportation in Ontario. Then they go for whatever, licence renewal or a re-examination, and they are not very happy. In fact, the first thing they do is phone their member's office. I am sure every member here can give similar examples.

I just throw that out, but the one thing I notice, which I think sort of compounds that problem, is that in the auditor's report, he talked about certain centres that are underutilized versus the ones that are overutilized and the problem of not having the ability to transfer staff from the underutilized centres to the overutilized centres because of a union agreement. Nowhere in the background material that I have does it explain exactly what the point was.

That was the information, obviously, the auditor was given, but it seems to me that when you have a \$40-million budget, and 80 per cent of that \$40 million is used up for salary and benefits, and you have 20 per cent left out of that \$40 million to operate all of the centres, there has to be a more practical solution by allowing staff to move temporarily even between centres in those areas that require it. Maybe you could explain to me the union requirement that prevents the Ministry of Transportation from doing that, because the logic of that, quite frankly, escapes me.

Ms Jacobsen: I would like to start by saying that one of the things we are looking at across the province is, where is the problem? Is it seasonal? It is geographical? Of course, it is not surprising to know it is in the greater Toronto area, where the phenomenal growth is. Then dealing from that, what are the ways that, over a longer term, we could deal with this service?

In terms of the public service side, there has been significant training in terms of customer service, but I would share your comment that when you are dealing with the numbers that the staff are dealing with, in the time frame that they are dealing with, that makes a very difficult demand in terms of the staff. Kim will answer the specific union issue.

Mr Devooght: I guess I am not aware of any union restriction, as you are, that indicates that we cannot move staff around, other than, I guess, the headquartering requirements. There is no exact prohibition in there. I guess we are a little unclear as to exactly what it is, as well. That is not the real issue, however.

Driver examination centres are bread and butter, over-the-counter business, and they are, like any other production function, subject to economies of scale. I think, in the auditor's report, when I read "higher or lower rates of utilization," it does not mean that staff are unused. It means that in the Toronto centres, for example, they are more productive because there are walk-in clients. If there is a no-show in Barrie, then chances are there is not somebody sitting there waiting to take the test. If there is a no-show at the John Rhodes Centre, there are 100 people sitting there waiting to take the test. The utilization rate, therefore, is higher.

In the smaller centres such as—I will give you an example—Walkerton or any of the northern centres where there may be two or three staff, the standard that we expect an examiner to work to is to run approximately 14 road tests a day, because not only are they running the tests but they are doing the bank reports at the end of the day, they are supervising the clerical staff who are there, they are filling in on lunch breaks for those people, so they are not able to deliver the same number of tests as somebody at Scarborough, for example, who delivers 19 a day because he does not have those duties.

Because of the higher numbers of staff, we are able to separate those duties more. We have somebody completely dedicated to banking, for example. What that means though is, if you want to move somebody out of Barrie, then no tests are delivered in Barrie. Walkerton is a better example. It is a two-person centre. We have a centre supervisor there and we have a clerk there who does the over-the-counter work. It is true that that person in Walkerton may not be producing the same number of tests per capita as the person in Toronto, but that is because he is doing those other things. If you pull that person out of Walkerton, you are not getting any tests in Walkerton. Part of the challenge in delivering a product like this across the province is that you do have different capacities or different utilization rates. We have to try to manage those.

Mr Ballinger: Mr Chairman, let me ask a question of the Provincial Auditor, which is sort of interesting because, in the auditor's report, it mentions specifically that in moving staff around—obviously somebody gave that information to the Provincial Auditor when he was doing the audit, that there were some union restrictions. If I heard you correctly, you just indicated that you were not aware of any. Obviously, the deputy asked you to speak, so it would give me an indication that you are the indisputed expert in this particular field. Then I want to ask the Provincial Auditor, giving him an opportunity to redeem himself, based on the information that a member of the committee—and unlike the member for Lake Nipigon, I want you to know that I am not spinning a web, hoping you will get caught in it.

Mr Pouliot: Oh, wow!

Mr Ballinger: I actually like the member for Lake Nipigon. I knew he could take that in jest.

Mr Adams: Oh, shame.

Mr Ballinger: Maybe the auditor could clarify. If that is not the case, then I am obviously down the wrong road.

Mr Archer: Generally, we did not pursue this in any depth, but we felt, when you had heavy utilization in one centre and average or less in another, that you should consider, temporarily at least, transferring staff from one area to another. So in raising that suggestion or asking why this was not done, our staff were told that it was not done to avoid problems with the union. But specifically, as to whom we talked to and, more in depth, what we were told, maybe Ezio could comment.

Mr Osti: Yes, with respect to the information that we obtained, it was obtained from regional directors. In our discussion with regional directors, we understand that staff were hired for a particular location. If you were hired to operate out of Sudbury, that was sort of part of your condition of employment, and the regional director would indicate to us that if a transfer of any employee were done, that individual would, in most cases, go up to his union and complain about it. The information that was passed on to us was that there was some union pressure, you might say, that would be placed on that particular region. So I think that is the context of what we were referring to in using the words "union restrictions."

Mr Ballinger: I do not know where I am now, quite frankly.

Mr McCague: Befuddled.

Mr Ballinger: Do you have any response to that so that I can maybe retract myself here?

Mr Devooght: I think we are maybe getting caught up on words a bit. When we read the word "restriction" we think, "Is there something in the collective agreement that prevents this activity?" The answer to that is no, not that I am aware of. There are things that make it difficult.

We do, as a regular occurrence, transfer staff around on an emergency basis, and you would go back to the Barrie-Walkerton example. If the centre supervisor is sick in Walkerton and you have a day's worth of tests booked, you have to deliver those people, so chances are, we will send somebody from Kitchener. That is transferring staff on a temporary basis.

But I think what maybe is being referred to here is more long-term transfers of staff, and the union is not all that happy with it, as described here, so it places pressure on us. But there are no restrictions. So maybe the words are not "due to union restrictions" but "pressures or difficulties that it may cause." But staff are moved around, as they would be in any distributed production function, to balance off day-to-day pressures and occurrences that happen. Is that any help?

Mr Ballinger: Yes, thank you. I guess the only other comment I have is, I grew up in Uxbridge and I can remember getting my driver's licence when I was 16, like every other kid on the block. Old Arnold Tipper, who was also the school bus driver and the Sunoco station operator and knew everybody in town—you would spend your tour around the town making left-hand turns, right-hand turns and backing up and parking, and carrying on a reasonable conversation about, "How's your brother, how's your mother and how are you doing at school?"

Again, I want to make this point, and I realize that, especially in the greater Toronto area, a lot of people believe they are paying more for service they are not receiving.

1040

Interjection.

Mr Ballinger: That is true, Mr. McCague, and it all relates to that.

You know, we are in the public service business, whether it is yourself or us. We are here to provide a service and, again, I get a lot of complaints from people that they are herded through like cattle, it was very impersonal. You could never go back, but it seems to me that we have a responsibility. I know that you are working under financial restrictions like every other ministry, but we are in the public service business, and driver examinations—there is a fair amount of pressure. Someone goes in, he or she is under pressure. It is like taking an examination at university; you do not want to fail. Sometimes a little courtesy goes a long way just to make it a lot easier.

It seems to me that lately it is the reverse of that. They go in and it is very impersonal. People leave frustrated. They have paid their money and they do not understand. I do not know whether you do staff training in terms of working with staff and the nature of the business, but if you are going to put a lot of pressure on the staff, just because of the sheer numbers—and in the growth areas like I represent, it would appear to me that this has to be taken into consideration, that when people leave, at least they are reasonably satisfied that they have been well served by their government.

Ms Jacobsen: I would like to start by saying we are probably one of the largest direct-service providers in the provincial government. There are other, larger ministries, but much of that is transfer payments, so we are very concerned about the public service side because, in fact, we interact with the public.

In terms of over-the-counter, direct service, we are a big service provider so we are very concerned about that service, especially when you have the dichotomy between the growing public desire for setting limits to public expenditures with, at the same time, a growth in terms of demand in service.

One of the things we have looked at is how we reduce the need for people to have to come back to the ministry for reregistration, etc, so that we in fact make it simpler for people in terms of direct service. I think that is one of the ways that we can reduce the need for people to have to come back to the ministry. I would like Margaret to talk specifically in terms of the customer service.

Ms Kelch: I guess, Mr Ballinger, we are as concerned as you are in terms of the public believing that they are getting the highest calibre of service that we can possibly give them. As the deputy has indicated, a very large part of our business is direct contact, face-to-face type of contact with the public.

We have had a variety of areas drawn to our attention, and I think it is important to know how those areas are drawn to our attention: through individuals such as yourself, as well as the members of the public themselves coming to us with positive as well as negative criticism. But we also have indicated to our front-line managers, the people that actually manage those centres to which you refer, that a major part of their responsibility is their liaison with the public.

There is a whole variety of techniques, and they are not entirely consistent, one centre to the other, because managers view those things slightly differently. But everyone, for example, has customer cards and comment cards so that we can in fact get a direct sense from the people who have been in a centre how well we are doing. But we also heard, again through comments such as your own, that our driver examiners themselves needed training on two fronts. One was to ensure that, technically, they have the same level of competence across the province but also, from a public service point of view, that they understood that they were ambassadors. It was not just the particular product that they were responsible for, but they were ambassadors for the provincial government.

Because of that, the training that we have done with our driver examiners—we started this past year and we have a follow-up session that is planned in terms of refresher as well for all new examiners, as well as refresher for existing examiners—is going to include the technical part of their responsibilities, to ensure they are as efficient and as competent as they can be, but a major and significant part of that is the customer service part of it. It is not only smiling. Sometimes we think that if you are pleasant, that deals with the total customer service types of issues.

Mr Ballinger: A politician knows that so well.

Ms Kelch: It is much more fundamental in our business. We have to ensure that as the deputy has indicated, we are getting the person through the centre as quickly as we possibly can, but that he is also getting what he needs with that quick service, so that if it is a complex problem, we are not ushering them through quickly to tell them to come back another day when it is not so busy.

We have a variety of initiatives that we are working on across the province, but the continued challenge is in the greater Toronto area, which is of course where your riding is, so that we can deal with the very large service demand and still give a quality product out the door in terms of ensuring that it is the safest possible individual who in fact now has the authority to drive that automobile. So it is a balancing act for us.

The Chair: I remind members that we have some seven topics to deal with and we are on item 2 at the moment, but it is an interesting item and we may want to recall—

Mr Ballinger: Thank you, Mr Chairman. I wish you would have reminded my good friend and colleague the member for Lake Nipigon.

The Chair: I am reminding everybody, including various understudies, etc.

Mr Adams: I can in fact move on to another topic, but it ties in exactly—

The Chair: Please do not do that. I will put you on the list for the other topics.

Mr Adams: No, it ties in exactly with what we have been discussing, because what Bill Ballinger was talking about was service. We just heard about quality of service, quality of product, and Mr Devooght in his answers mentioned also, I think it was, productivity. In other words, in the business areas, you said, these people were more productive. Of course, that implies sort of pumping people through. Then the question of quality of product, which has just been mentioned, comes in. In the variance in results part of the auditor's report, the auditor actually, I recall, says that not only is there a great variance in results, in performance, but he also says this is a chronic problem, that it has been around for some time.

In the figures that we have—this goes back to this question of quality product, what it is, for example—

The Chair: Mr Adams, I wonder if we can hold that until we finish dealing with this topic. We can tie this in and then I will put you first on the list for that, if you do not mind.

Mr Adams: Surely.

The Chair: Mr Ashe did have a question on this topic, and then I will turn it over to you after we put to bed this one topic. George?

Mr Ballinger: I love it.

Mr McCague: Rather than make an Ashe of myself, I will pass.

The Chair: I do not see why there is a need for you to do it when I have done it so well.

Mr Pouliot: Need I remind the chair this is room 151.

The Chair: I did want to tie together a couple of things that are hanging out there on this one topic. Mr Devooght, you mentioned the computerized system that will hopefully eliminate the double booking or triple booking and also allow for a person to come into one centre and find out that instead of waiting six weeks, or waiting all day in the hope that he gets a cancellation, he could maybe drive 30 or 40 miles and get a booking that day. When is that supposed to come on stream and what effect do you figure it will have?

Mr Devooght: We are just in the feasibility component right now. If you recall from the last time this committee met, the deputy spoke of the development of the new drivers system. What we have to determine right now is whether in fact we can put this in as an independent piece, and we do not have the answer to that yet. We do not know whether in fact the distributed automated booking system would be able to survive, given the age of the existing driver component.

We are doing a couple of things. We are doing that feasibility component. We are doing the business design, because we can do that; that is just the design element without getting into actual programming. As well we are testing the principles involved with automated booking systems in John Rhodes and Scarborough. It could be as early as 1991 or as late as 1992, but I would say we are talking about that kind of horizon for the provincial system.

1050

The Chair: The other topic was the seasonal problem you have. Is that caused by students coming out of the training programs in the spring, and is there any way of varying that so they come out at different times of the year, or is it just that everybody thinks of buying a car and getting his licence when the sun starts shining?

Mr Devooght: I think people like taking road tests when the sun is shining, not when the snow is blowing. The curve looks like a snake on the page, if you look at the demand curve for driver examination. It is tough to vary that.

The Chair: When do the school programs end? Do you have a sudden surge?

Mr Devooght: They are running all year.

The Chair: So people finish at different times; they are staggered.

Mr Devooght: That is right.

The Chair: Thank you. We will move on then to the significant variances in pass rates. I have Mr Adams and Mr McCague on my list. I was not projecting an election victory for Mr Ashe, by the way.

Mr Adams: You heard my preamble before. The suggestion, because there is this variance in results, is that there is a variation in quality. That actually is the sense of it. For example, in the material that we have, in the average pass rate, the range between centres, there is a 33 per cent difference, from a low of 53 in one centre to a high of 86. That is on the average. Then in the lowest pass rate there is an even greater variance between centres, from 38 per cent to 82 per cent, a 44 per cent range. Even in individual centres there is a variation as high as 32 per cent between low and high pass rates.

I can imagine a variety of good reasons for a variation in pass rates, both between centres and within centres, but the implication of the auditor's criticism, and he says that it has been there for a long time, is that it actually reflects a variation in quality of product. I wonder if you would care to address that.

Ms Jacobsen: I think in terms of the variation there has been a major training session with all of the driver examiners, a two-week program that they have all gone through in 1989, to try to get a higher level of consistency in terms of the standards that the examiners use. So we feel confident if we did the same survey you would find that this is less so.

Second, there will always be a variation, particularly small, rural versus the larger urban. It is in fact more difficult and more complex to get your driver's licence in Brampton or in Scarborough than it would be in areas where it is much less congested and much less intense. So we are not looking that we would always have a standard to which—if you vary five degrees one way or the other, we would be more worried if we actually had a situation where everyone was so within a norm

that we would wonder whether they are not working to a quota. But we do believe that the two-week training program, which we intend to continue in terms of a regular, ongoing initiative, will deal with the individual differences in terms of driver examiner to driver examiner.

Mr Adams: As I said, I can accept that there will be—it is healthy that there be some variance. It would be unhealthy if there were not.

Ms Jacobsen: Yes.

Mr Adams: Do you have refresher courses for examiners and for supervisors, and are they fairly frequent?

Ms Kelch: They are the same courses to which we referred earlier. We started the new program this year. We have taken every new driver examiner through the program and the refresher for the existing driver examiners will start this summer and this fall. It is intended that on a two- to three-year basis they will go through that program.

Mr Adams: You feel you have the resources to implement that and it will continue every two or three years and so on.

Ms Kelch: Yes.

The Chair: Mr McCague has indicated he does not have any further questions on this topic. Is there anything else on the pass rate issue from any of the members?

We get into the interesting topic of the impersonation of applicants for drivers' licences. I know that has been a concern of your ministry for some time. We had hoped that with the use of photographs, that might lessen it, but I gather it is still a problem. Do you have any comments on this? Then we will have some questions.

Ms Jacobsen: I would say that certainly the use of photographs has reduced the impersonation factor, but we have also recognized that it is more an issue in our urban centres than it is in the smaller centres, so we have made some administrative arrangements that the photographs are taken at the point the potential driver is signed up. It then makes it virtually impossible for them to substitute, because whoever has the picture is then the driver who is examined.

The Chair: Are there any further comments or questions on this topic? Is everyone satisfied with the response to the auditor?

Ms Jacobsen: We have also been very zealous in terms of the convictions. Whenever we find an incident, we treat it very, very seriously, and we think that word is getting out.

The Chair: One of the other topics that was of concern to the auditor was the delays in processing physicians' medical reports. I wonder if the deputy minister has any update on what steps may have been taken to address this problem.

Ms Jacobsen: We have had a service recovery in this area, as Mr Devooght so aptly termed it, and so we feel that we have brought our backlog under control. We have also implemented a system whereby at the point where the medical report is requested, we have instituted a program whereby we separate the report so that we can deal with those that are much more serious immediately, rather than dealing with them as they come in on an ad hoc basis. If you want any more information on how that separates out, I think Mr Devooght could provide it.

Mr Pouliot: It is encouraging that this specific inventory is under control.

Ms Jacobsen: And especially the immediate ones. The ones that are very, very serious are dealt with immediately.

The Chair: The complaints I get as an MPP are the delays in processing the appeals for the suspensions on medical grounds. Somebody who has had a stroke, is recovering, sends new medical evidence in and he needs the licence in order to look for a job, having lost his job by being off work for two years with a stroke or something or other. It is a bread-and-butter issue with the person. Often their medical or their unemployment insurance benefits have run out and they are starting to hurt financially and they need that licence. Is there any special consideration given to speeding up that kind of processing?

Ms Kelch: I think, Mr Chairman, you have combined two issues there, and if I could just separate them for you, it may help a little. We have a process whereby at any time, if an individual who has been suspended for medical reasons has new information that he wishes us to consider, he can forward that to us. We do not normally call that an appeal, but that is open to people at any time.

There is also, though, a formal appeal process where if, as the registrar of motor vehicles, I deem that this individual should not have his driving privileges returned, his point of last return, as it were, is to go to the Licence Suspension Appeal Board. That is a board that is independent of the ministry. It is run by a chairman and several members who hold hearings in a quasi-judicial type of environment. Those individuals go in a queue there as well in terms of being able to go to that forum, and on an independent basis the chairman and the board members will review that situation.

On the former circumstance, the deputy indicated that what we are trying to do on the urgent cases, when we get a medical report where it is very clear that an individual is a severe hazard to the driving public, is that we take immediate action, which we call immediate suspension.

On those that are what I would call more normal medical reports, though, and perhaps an individual such as you have described, where we have suspended his driver's licence for medical reasons and he has submitted more information to us, we have to take that. We review it at a technical level and then we take it back to our medical advisory committee, so there is a process whereby we are hoping that this committee—they are all physicians on that committee—will give us advice in terms of whether this new information in fact changes the situation.

Probably because it is not an, in quotes, urgent situation, those circumstances can take six to eight weeks for us to get it back into the hopper and through the various stages that are present, but we do try to deal with the urgent ones as quickly as we possibly can because the mandate of that whole program is highway safety.

1100

The Chair: I recognize the safety problem, but I guess one of the concerns I have—I just had a fellow in my office last night rejoicing that he had received his licence back after a brain damage accident. It really does play a role in the person's recovery when he gets that licence. It is a psychological uplift that he is back to being what he considers to be a normal human being, and I am sure it is part of the therapy.

Any way you can speed up the processing—I am not saying that they should get a licence if the medical evidence is not

there, but the processing and coming to a decision one way or the other does affect them psychologically and, I think, physiologically. You may want to look at how you pick out that type of thing and speed it up, if you can.

Ms Kelch: Certainly from an employment point of view, and that is the instance you used earlier, if the individual makes it very clear to us that this is an employment situation, then obviously we would do our utmost—if it meant calling him so that he could come and pick up the paper or deliver it specifically to us rather than using the mail system, we attempt to the level of our ability to show them that kind of convenience.

The Chair: Are there any further questions on this processing of the physicians' medical reports? Mr Pouliot, do you have some questions on this topic?

Mr Pouliot: One can spend a great deal of time. I have just been—well, the words are not too strong, sir—appalled and shocked with your next item, where there seems to be a world of difference between what the ministry is feeding us and what non-biased, non-prejudiced organizations—I am talking here about safety on our roads, which is your next item, and I am supplied with a good deal of evidence. I have some folders that come from all over which contradict what the ministry has been feeding the public of Ontario. I am appalled and shocked, and intend under that heading to address them in a few minutes. No, I do not have anything on this specific item.

The Chair: Are there any further questions on the processing of the medical records? Mr Archer, do you have any further comments?

Mr Archer: None.

The Chair: Mr Pouliot, would you like to start off the questioning on the safety inspections? Our first topic would be the bus safety inspections, I guess, and the variations in inspection results, which seem to be of concern to the auditor. I do not know how we really separate this topic, so maybe we could deal with the whole safety topic at once, including the enforcement initiatives on the part of the ministry.

Mr Pouliot: Would I be right in assuming that if you were to describe the mandate of the Ministry of Transportation of Ontario and if you had a choice of five words, "safety" would be one of the words that you would use to describe your mandate?

Ms Jacobsen: Yes, you would be correct.

Mr Pouliot: You would also talk about "service," would you not?

Ms Jacobsen: Yes.

Mr Pouliot: Very likely. You provide an essential service to the public. We have how many motorists in the province of Ontario?

Ms Jacobsen: A little more than six million.

Mr Pouliot: As we drive the highways of our province, we are seeing an increase in truck traffic to supply us with goods. It used to be done by river at the very beginning, then it moved to railways, and now we are finding that more and more of the traffic from the factories to the market or to the workplace is done by truck. In your opinion, if I see 100 trucks as I go to Pearson International Airport this afternoon to go back to the riding of Lake Nipigon, how many of those trucks, as a motorist, would be safe?

I will repeat the question. This afternoon I will be going to Pearson International Airport to fly to Thunder Bay and then to the riding of Lake Nipigon. If I see 100 trucks coming across, how many of those are safe?

Ms Jacobsen: I think when you think in terms of safety, we tend to think that there are two pieces to that. One part is the vehicle and the other piece, of course, is the driver. In terms of general safety as you are driving to the airport, you should be aware that in fact our fatalities are down. You should be aware that the severity of accidents is down. In general, the highways are safer than they were 10 years ago.

In terms of your specific questions about the trucks, if you pass 100 trucks?

Mr Pouliot: Yes.

Ms Jacobsen: We do regular audits in a variety of ways to look at their mechanical fitness, and that mechanical fitness ranges from everything to do with whether they have a tail-light missing to more severe issues. Our May figures, which were part of an international survey of trucks, demonstrate that out of 100 trucks there would be approximately 25 that would have some kind of mechanical fault.

Mr Pouliot: Thank you very kindly.

Ms Jacobsen: That does not make them unsafe.

Mr Pouliot: If I may pursue the line of questioning—you volunteered that information. CAA Ontario, which represents 1.3 million motorists in the province, says that in the spring of 1989 a safety blitz revealed that 20 per cent of the trucks inspected had to be pulled out of service because of—no, no, no—not minor but major safety defects. That is what the CAA does. They protect the motorists; that is their mandate. You are saying it is higher than this, that it is 25 per cent of the trucks. So for every four trucks that we have, there is one truck that should not be on the road.

Further statistics. In 1988—we are just starting 1990 now—of almost 26,000—this is not a sample here; this is massive; you can pretty well tell it is an overall picture—22 per cent were found to have safety defects of a serious enough nature to warrant their removal from the road by the inspector. In 1975, it was 15 per cent.

So what we are saying here is when it comes to safety, we are losing ground. That is what the CAA is doing. That is what the Provincial Auditor is doing. That is what our research department is saying. That is what Transport 2000 is saying. That is what the OPP, Ontario Provincial Police, is saying. That is what consumer advocates and protectors are saying. Yet you, with respect, by way of terminology if you wish, are telling the committee that, as an aside, things are going down, we are doing a little bit better here.

Do I have to believe the Deputy Minister of Transportation in this province? You cannot hit me; I am watching your hands. Do I have to believe you or do I believe the Ontario Good Roads Association, which says that you took in last year \$1.8 billion from users? You took it in licensing fees, some \$600 million. You took it in all kinds of charges: speeding tickets, monitoring compliance on the sinners, gasoline tax—and I can assure you, if you are up north, you know what gasoline or excessive taxes are—and you only put in \$1.4 million.

Many components are safety related. We told you that under the regulation. Remember that? You have got longer trucks coming still. The act was changed in 1984. Truck traffic increased by three per cent. There were going to be less trucks,

but they increased by three per cent. Accidents increased by five per cent. What I am saying here is that I am not convinced that you are heading in the right direction in terms of safety.

1110

You have had a great deal of difficulty monitoring compliance. There was a spot check, and you are aware of it, because it made the paper. We read it in the *Toronto Star*, the *Toronto Sun*, the *Globe and Mail*. Not too long ago, I brought it up in the House. There was like an emphasis, a spot check if you wish, and there again they said 20 per cent of the trucks had to be taken off the road. When you are taken off the road, we are not talking about one tire getting a little bald; we are talking a potential calamity, a potential catastrophe. What are you doing to monitor compliance? When can we expect that the people that are responsible will start to improve their performance?

I do not have to go too far to—you will tell me it is because of road maintenance or you will call it climatic conditions. But where I live up north, you do not have all that many weekends when you do not have a fatality involving a truck. You pick up the newspaper, you listen to the radio, and there has been a head-on collision. This is no small matter. We read that 20 to 25—you said 25 per cent of those trucks are unsafe. This is—

Ms Jacobsen: I did not say are unsafe. What I said is that approximately one out of four was taken out of service for particular mechanical faults.

Mr Pouliot: When 22 per cent were found to have safety defects so serious that it warrants their removal, I call that unsafe. What do you call it?

Ms Jacobsen: For the benefit of the committee, I think it is important to understand two things; one is that there is now a new international standard so that, in terms of the percentages, in terms of Mr Pouliot's concern that it has risen from 15 to 23 per cent in terms of those that are taken out of service, that relates to a new standard.

I am going to ask Mr Merkley to talk about the standard, because I think if you understand what is the range of things for which a vehicle is taken out of service and the length of time it might be taken out of service for, it helps you to understand what the issue is. I also think in reference to the material that is read in the media, it is read in the media because we publish it. The blitzes are not by accident. They are part of what we are very concerned about in terms of the mechanical fitness of vehicles.

Mr Merkley: I guess first I should tell you that there is an organization called the Commercial Vehicle Safety Alliance, in which 11 jurisdictions in Canada and 47 in the USA participate. That organization sat down with industry and they adopted an industry standard as to when a vehicle should be detained because a mechanical component is no longer as effective as it should be. It is called the out-of-service criterion.

That out-of-service criterion could range from anything from the turning signal not working to, I guess, the most severe, maybe the brakes being out of adjustment. The out-of-service criterion is certainly based on safety, but there is not an unsafe vehicle charge placed before the court. Maybe I should say there are very few unsafe changes put before the court because there is not sufficient support to place the charge before the court. It is just in violation of the out-of-service criterion of the Commercial Vehicle Safety Alliance organization.

Mr Pouliot: I started with 20 per cent of trucks being unsafe, figures by the CAA. The Provincial Auditor researched 22 per cent of trucks being unsafe. The OPP says 20 per cent. Our research indicates that in Brampton and London—and let's not kid one another here; I would be worried if I lived and travelled the roads of London and Brampton—they removed 28 per cent. They said, "No, no, no, Harry, you can no longer drive the truck. You are a major safety hazard." That was 28 per cent of trucks inspected.

Ms Jacobsen: Excuse me. It is not that they were a major safety hazard. I think it is important to remember that.

Mr Pouliot: Why did you take them off the road? Because the driver did not have his sunglasses on?

Ms Jacobsen: They may be off the road for an hour. It may be something that is outside the standard. It does not make them necessarily unsafe. It is just that they are below the standard within which the industry and the jurisdictions have agreed the vehicles should run.

The Chair: If I do not have a signal light and I change lanes, I may be quite unsafe; I may kill somebody. So it is a matter of semantics.

Mr Merkley: The comment was made that we would not take a vehicle off the road for a bald tire, but the standard does call for detaining the vehicle if the tires are below the standard.

Ms Jacobsen: We would be happy to share with the committee if the members would like to see the kinds of things that are in that standard.

The Chair: That might be useful if you could provide it to us.

Do you also have a profile of who it is that is getting the violations most of the time? The impression that my colleagues give me—and of course they may have a jaundiced eye when looking at the industry—is that it is the American gypsy operators coming across the border who are running unsafe vehicles and that those who run Ontario-owned and operated trucking companies always have excellent standards and therefore do not get pulled over and pass all those safety checks. Do you have profiles so that you might look for certain types of vehicles then because they are the more frequent violators?

Mr Merkley: We have not determined any significant difference in trucks from any one jurisdiction at all. If you go back to the May blitz, I felt good about saying that Ontario trucks were a wee bit better than the trucks from other jurisdictions. I think it was by something like four per cent less Ontario trucks were detained than trucks from other jurisdictions. I do not know if that is significant or not, though.

Mr Pouliot: Just one last question: I just uncovered the revealing declaration by David Bradley. Does the name David Bradley ring a bell?

Ms Jacobsen: Yes, he is the vice-president of the Ontario Trucking Association.

Mr Pouliot: That is right. This expert, Mr Bradley, vice-president of the Ontario Trucking Association with a membership exceeding 800, talks about safety and talks about 10 years of neglect regarding the conditions of our roads. Do you agree with Mr Bradley?

The Chair: Would you like to ask that question of the minister, Mr Pouliot, rather than the deputy minister?

Mr Pouliot: I am seeking direction from the expertise of the ministry. It is a fair question. My respect for members of the public service is renowned. I know their work is very, very difficult.

The Chair: I just do not wish to put a public servant in a position that may be embarrassing to her.

Mr Pouliot: Tough.

The Chair: I leave it to the deputy minister if she wishes to reply.

Ms Jacobsen: I will decline.

The Chair: I saw by the red on her ears that she did not want to reply.

Mr Ballinger: We will wait with bated breath to see if the member for Lake Nipigon asks that question in the House today. He will have lots of opportunity.

The Chair: Do you have a response to that?

Mr Pouliot: This is a fair question.

The Chair: I think Mr Pouliot has made his point by asking the question, but do you have a response?

Mr Pouliot: The focus here is safety. Road conditions, the lack of good roads, is an important component of safety. It is proved. If you have to dodge pot-holes, you end up in the ditch.

The Chair: Does the deputy minister wish to deal with that?

Ms Jacobsen: I will comment in general in terms of the road conditions in this province. Compared to other jurisdictions in north America, the Ontario standards in terms of our roads are very high. In fact, if there is a public safety issue, it has less to do with vehicles and less to do with road conditions and more to do with the area that we are the most interested in, which is the drivers behind the wheels of the vehicles that are on the roads. The roads themselves are not the major contributors.

1120

The Chair: Are there further questions, Mr Pouliot?

Mr Pouliot: Just one brief comment. Deputy minister, Margaret has mentioned the riding which my distinguished, respected colleague Mr Ballinger represents, which is Toronto.

Mr Ballinger: Durham-York, for the record.

Mr Pouliot: People in the GTA, which is the greater Toronto area, are concerned about paving soft shoulders for pedestrians. You know, there has just been an announcement that \$5 billion will be spent on the transportation program in the years ahead. You are quite familiar with this. It was an announcement by your boss, the Minister of Transportation for Ontario.

Where I come from, there was not a cent there, so when you talked about comparing jurisdictions when it serves one's purpose and convenience, we also have to talk about when it serves one's purpose and convenience too. It is like the cornflakes box. You know, some people are dissatisfied with the print, so they turn the cornflakes box around to read. That is what I do.

Up in northern Ontario, where I live, what we are concerned with is the area between the soft shoulders, you know, the one lanes, the rock cuts, the sudden storms, the whiteouts, the daily living, not the luxury but the necessity of driving. So me too,

we too. Northerners also are not playing games when we are talking about safety. We are scared, and all we wish—it is not easy—is to establish collectively a mechanism whereby you are given the means. There is only so much money, and Mr Ballinger has said that and he is right on. There is only so much money to go around.

By the same token, safety is paramount. We know what it is like to travel 60 miles before having a chance to pass a truck because the passing lanes are inoperative. It is conducive to very bad orders. The people who I represent want me to tell you this. Who am I going to tell? If I tell the minister, I have to wait my turn. You are the people who are responsible and I admire you.

By the same token, there are a lot of scared people here, because when they read about 20 per cent to 25 per cent of the trucks with defects—and we see more trucks than anything else, it seems. The truck traffic has more than doubled in five years where I live. They have taken almost all the business away from the railroad. We are going to make them longer now, yes. Well, you have a fight on your hands, but you will succeed again. You will succeed because lobbying, where I come from, is a vulgar trade. We do not have the means, but for other people, the big ones, consequential ones, it is an honourable profession. We do not have the expertise.

Why not go to public hearing, why not bring everybody in so we will not have to change our minds 10 and 15 times? We are scared. What are you doing—one final and simple question—to reverse the trend in terms of truck safety?

When you come back next year, inside you, are you fairly confident that you, Madame Jacobsen, Deputy Minister of Transportation, will be able to tell the committee that we have experienced a significant decrease in terms of truck safety?

Ms Jacobsen: There are several points that I would make within that. You asked specifically in terms of northern roads. I think I should talk about the fact that there is quite a program which we receive funding for over five years out of the budget from last year that was meant to provide four-laning of some of the major routes and that we are working on a program where we are increasing the number of passing lanes, particularly on routes that are heavily travelled by both motorists and trucks, specifically to the roads.

In terms of truck safety, there are a number of things that are being done to increase the safety aspects of trucking. There is no doubt that more freight is now being moved by truck that has even been in terms of the province. We are not alone in terms of, as a jurisdiction, coping with that. Across Canada is the National Safety Code, of which we are a major proponent, which sets out very specific limits in terms of such things as how long drivers can drive, the condition of their vehicles, etc. That is something that we are very interested in.

Margaret, is there something you wanted to add?

Ms Kelch: Just to add, in addition to the National Safety Code, which has a very specific list of standards that the trucking industry must meet, I think Mr Pouliot has heard me in the past on this other subject, but it is worth perhaps talking about. That is the new commercial vehicle operator registration program that went in place as a complement to the regulatory reform in this province. It is a very strict monitoring for all commercial operators in this province. It is working exceedingly well, and through this monitoring technique we really do have the attention of the trucking industry. Its principal basis is ensuring that they are operating safely.

Mr Pouliot: There were 7,091 accidents in Ontario in 1987. Thank you. I am satisfied. It is almost an impossible job when I look at the number of rig accidents, and I too compare with other jurisdictions. There are climatic conditions, traffic, impatience of drivers. To some extent we are guilty. We are not always good at looking at the ministry's guidelines. All the statistics I have, talking about rigs left and right, they are going to make the trucks longer. We know the road conditions and so on.

The thing is, we want to give you everything possible. When we talk about safety, there shall be no compromise. Our feeling is that we do not have sufficient funds. My feeling is that we do not have sufficient funds to monitor what is out there, and it is increasing. Therefore, we say it may get more dangerous. It should be top priority. No money should be spared. We always get value for money when safety is adhered to, and monitoring of safety compliance is the first priority.

The Chair: I think on this, one of the topics that the committee would want to do some follow-up on is the auditor's concerns about the commercial vehicle operator registration system which you have initiated, which hopefully will identify some of the repeat offenders, to see whether or not this program is in fact reducing the incidence, particularly by the worst offenders. Maybe that is something we can come back to in a year from now.

I know that you will be keeping accurate figures, but it strikes me as an important initiative that you are trying to do something with. We certainly would want to see what the results are and whether that works.

The Ontario Trucking Association is in my riding and I have had a long-standing relationship with it. I think they are a very good operation, as well as an effective lobby group, sometimes more effective than others. It certainly seems to me that they seem to feel that it is not all companies that are violators, that there are a few people who are constantly a problem and give a bad name to an otherwise good, responsible business. I guess we are concerned about that.

Mr Pouliot: Mr Chairman, just on a point of order: I must leave to catch a plane to go back to the riding and therefore will not be able to respond affirmatively to the kind invitation to join the deputy minister and her staff for dinner tonight. I have to back to my riding, but thank you very kindly.

The Chair: I am sure that Laureano Leone will accept the invitation for you. He is going to ask some questions. And if it is a good dinner, he may even invite you to his daughter's wedding.

Mr Leone: Since we are talking about safety, I would like to have some information. The ministry has powers in controlling the mechanical components, driver conditions and everything. My question is regarding objects falling from trucks. I have been the victim myself in the last 18 months of two incidents. In the first case, a metal object really hit my front lights, and just last month, or two months ago, a four-by-four wood part they have on these trucks fell and, luckily, hit me on the side door.

As an MPP, I said, "Okay." I wrote to the first one. I was unable to get any recognition or anything. In the last case, the company apologized and paid for the expenses involved in the repairs. But I wonder now how many citizens, drivers, are victims of similar incidents and what kind of way they have to have repairs. But the most important part is, in controlling the

trucks, do the police or your department people have penalties for loose objects that these people have on top of trucks?

1130

Mr Merkley: Let me say at the outset that we have load security legislation in place in Ontario. To boast a wee bit, it is the legislation that has been used, that is in place across North America. In other words, it was the model legislation.

The second part is, the Highway Traffic Act specifically states that a load must be loaded in a manner so that it will not become dislodged and fall from the truck. If it were proven that a load was becoming dislodged and it was falling from the truck, obviously the police or our own ministry enforcement staff would lay a charge in that case.

Mr Leone: But what about where they are empty, they do not carry anything? The first case was a truck with no load and he had loose pieces on top. Naturally, at a speed of 100 to 110 kilometres, and especially bumping, these pieces came loose.

Mr Merkley: Had there been an enforcement officer somewhere in the vicinity who saw that happen, obviously he would have no doubt laid a charge.

Mr Leone: There is a way that they can be charged?

Mr Merkley: Yes, definitely.

Mr Leone: Thank you.

Mr Miller: I want to make a comment, really. When Gilles was talking about safety, I think the speed limit being enforced around the province, in my view, has been fairly successful in controlling the traffic, much more so than it has been for some time. As I drive the Queen Elizabeth Way and Highway 401, I see a noticeable difference. Courtesy on the road is another area. Do not laugh, George. That guy was not courteous to me just the other day. I had an accident the other night, but it was because somebody made a mistake. He turned in front of us and there was no chance.

I think the minister and the ministry have been advertising and promoting safety and courtesy within the trucking industry and driving generally. I think that is important as far as safety is concerned on our highways.

The Chair: I guess one of the things that strikes me, as someone who has examined both the North American systems and the European systems, particularly the German systems, is that their standards, both in terms of the training of truck drivers as a profession, not just as something that someone may go into for a few years while he is younger and then get out of when he gets older or something, and also the way in which you have centralized inspection stations, not necessarily publicly owned—in Germany I believe they are private enterprises, but they are not allowed to sell anything. They are only licensed to inspect and therefore there is no conflict of interest between the inspector and the selling of parts or of service.

It seems to work well in Europe, and I am wondering if you have done any studies of some of the more effective European systems. I recognize that some of the other systems, because of free trade, are pretty hard to implement, but at least the inspection portion of the European systems might be possible to be implemented. I recall Fred Young in 1976 advocating some of these systems. We still do not seem to have a facsimile anywhere in North America, not just Ontario.

Ms Kelch: You might be interested to know that the Americans have in fact mandated a mandatory annual commer-

cial vehicle inspection. If I am right, next year, in July of 1991, that comes into place. Quebec also has a similar kind of mandatory system in place and we are in the process of investigating and looking at all of the alternatives and how we could do this. But the minister has also committed to doing a similar thing in Ontario. Whether that is identical to the German system, I do not know because I do not know the German system, but I think that the North American community has agreed there is some real advantage to doing this and we are going to try to do it on a co-ordinated basis.

The Chair: I know the members of the select committee of all three parties, when they went to Germany, both the highway safety committee in 1976 and the select committee on highway transportation of goods, which I was a member of, were quite impressed with the German system. It might be something you might want to look into.

Ms Kelch: Yes, we could do that.

The Chair: Another issue that comes up and that I get from constituents is complaints about people using cellular phones while driving. The argument is that cellular phones are a pro-safety feature inasmuch as people use cellular phones to quickly report accidents, so that ambulances and police get to the scene of an accident more quickly, and I think there is some American research to back that up.

The issue, though, that some people seem to raise is, "We don't want to ban cellular phones, but are there not certain circumstances where we can outlaw their use, namely, while a vehicle is travelling at a speed more than 30 miles an hour or while a vehicle is moving?" Would that be the compromise between those who say: "Get rid of cellular phones in cars because they are a safety hazard. People talk on the phone and then do not pay attention to their driving," and those who say, "Cellular phones are a tremendous safety factor because people are able to report dangerous road conditions, spills, accidents, etc?" Have you looked into that possibility?

Ms Kelch: We have for some time been very interested in this issue. In fact, last fall we were concerned enough that we thought we should have the industry in and have a discussion with them. So we had the major representatives of the cellular phones, both distributors as well as manufacturers, in for a meeting with myself and the director of the policy unit, as well as our safety co-ordination people. We had a very honest and candid discussion with them.

One of the major issues that came out from the industry point of view is exactly the issue you raised, and that is that there are some significant safety benefits from the device.

We, however, discussed with them at great length in terms of the disadvantage of manually having to hold this item, not having your hands available to drive, as well as the attention issue. We have a commitment from the industry. In fact I have seen much of their material and it is starting to reflect this request that we put to them, which was that in the material when the phone is sold there is more than just the promotional material, that there is a very specific safety package that goes with the telephone, in terms of what is safe usage for a telephone. Some very creative packaging and promotion material, posters, etc, have been developed by the industry and we have worked along with them as they have been doing that.

More important is that the technology allow hands free. We have a commitment from the industry that this is going to be the desired direction in which it is going to go. There are some individuals who perhaps on first blush have some difficulty with that in terms of speaking while they are driving along, and people think perhaps they may have problems beyond the activity that they are actually involving themselves in. The feeling of the industry as well as ourselves is that people will overcome that reasonably quickly. So the hands-free unit is really the way to go.

There was about a \$400 differential last fall when we talked about this, but because of the technology and the mass production of it now, we feel that differential will be reduced.

The Chair: It is going to cause real problems for the people who buy the dummy phones, then, just so that they can get the status of pretending to talk on a cellular phone as they drive along.

Ms Kelch: Well, the little aerial will perhaps still meet that objective.

The Chair: Mr Ballinger, last question.

Mr Ballinger: I want to respond to that. Mine is either hands free or not, but I must confess that I feel awfully stupid in a traffic jam using the hands-free when everyone is looking in your car and you are expressing yourself and you are talking but there is nobody in the car, and everyone thinks, "That guy has gone off the deep end."

The Chair: "Cellular phone on board," the way you have "Children on board."

Ms Kelch: "I am talking on the phone."

Mr Ballinger: I do not think having a telephone, quite honestly, in your hand is any different than having a cigarette or a pipe. I think the concern is, obviously, the tension level and you are not alert or being attentive to your driving, especially in traffic, but I can tell you that when I pull up beside somebody who is talking hands free, I mean, it is awfully stupid looking.

The Chair: I want to thank the deputy minister and members of the committee, and of course as usual the Provincial Auditor for his assistance, and our researcher, who has as usual done an excellent job of briefing the members.

We will be interested in doing a follow-up on some of the additional initiatives you are taking about in terms of the backlog with the new computerized system and in terms of the computerized monitoring of—what shall we say?—the bad boys or bad girls on the road. We know you will be keeping some fairly good research and stats on this, because we may want to either have a written report from you on what progress is being made on these two initiatives or we may simply want the auditor to report back to us when he does his next annual report.

We thank you for your co-operation and for the initiatives that you have been taking, and for the fact that you appear to be recognizing the importance of the auditor's comments and the proposals of this committee.

We stand adjourned until 10 o'clock next Thursday.

The committee adjourned at 1141.

CONTENTS

Thursday 19 April 1990

| | |
|--|------|
| Annual Report, Provincial Auditor, 1989: Ministry of Transportation | P-1 |
| Adjournment | P-26 |

STANDING COMMITTEE ON PUBLIC ACCOUNTS

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P-14 1990

P-14 1990

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Organisation

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Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste des membres du comité et des autres députés ayant participé.

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Thursday 6 December 1990

The committee met at 1018 in room 228.

ORGANIZATION

Clerk of the Committee: Okay, if we are ready to start, it is my duty to call upon you to elect a Chairman. Are there any nominations?

Mr Bradley: I would like to nominate Mr Callahan.

Clerk of the Committee: Mr Callahan has been nominated. Are there any further nominations? There being no further nominations, I declare the nominations closed. Will Mr Callahan please take the chair?

The Chair: That is the easiest election I have ever had. I want to thank you for that overwhelming vote of confidence.

The next item on the agenda is the election of a Vice-Chair. It is my duty to call upon you to elect a Vice-Chair. Are there any nominations?

Mr Bradley: I would like to nominate Ms Poole.

The Chair: Any further nominations? I declare that Ms Poole is now Vice-Chair of the standing committee on public accounts.

Ms Poole: Thank you. It was a hard-fought battle.

The Chair: You can see that the tide is turning.

Clerk of the Committee: Now we have a motion regarding the subcommittee.

The Chair: Mr Bradley moves that Mr Callahan, Ms Poole, Mr Charlton and Mr Cousens do compose the subcommittee on business; that the subcommittee on business meet from time to time at the call of the Chair to consider and to report to the committee on the business of the committee; that substitutions be permitted in the subcommittee, and that the presence of all members of the subcommittee is necessary to constitute a quorum.

The Chair: Is there any discussion on that motion? I might add that Mr Charlton is not here today. We do not need a motion for substitution, do we?

Clerk of the Committee: No.

The Chair: Perhaps one of these other members could sit today so that we can get on with it.

Clerk of the Committee: He may be here later.

The Chair: Is that right? All right. Is there any discussion on the motion? Those in favour of the motion?

Motion agreed to.

The Chair: We have the Provincial Auditor, who is going to give us an orientation session by video, from the Office of the Provincial Auditor. Take it away, Mr Auditor.

Mr Archer: Thank you, Mr Chairman. There is a clause in the Audit Act which states that at the request of the standing committee on public accounts, the auditor and any member of the auditor's staff shall attend at meetings

of the committee. This, over the years, has translated into sort of a standing invitation. There is hardly a meeting of this committee where I or members of my staff are not in attendance, but it may be worth noting that this is at the request of the committee so you could change that at any time. It is not mandatory that we be here.

The Chair: Would you like us to do that?

Mr Archer: No, I am just pointing out that it is an option you have. In light of the tradition that has been established, I think it would be worth while for the committee members to know a little about the office, how we work and what the nature of our mandate is. The previous members of the committee certainly will be well familiar with that but for the new members I think it may be worth while to spend a few minutes explaining the nature of our office. Rather than me just sit here and talk to you, we have developed an orientation film which we have used on many occasions, including for previous new members of the committee. It runs about 10 minutes, so it is not too onerous in that respect. I think it may serve also as a refresher for some of the returning members. If we could show you that, then we would be pleased to answer any questions or receive any comments any members have.

Mr Cousens: How much did this cost to put together?

Mr Archer: I think about \$12,000.

Mr Cousens: That is what I thought.

Mr Archer: I should have asked you to guess.

The Chair: Were you in it, Don?

Mr Cousens: That is what is wrong with it, if you are going to put that kind of money into it.

The Chair: Maybe we could have the lights dimmed and the popcorn popped. We will watch the video.

[Video presentation]

1035

The Chair: Thank you very much, Mr Archer. Is there anything else you would like to add? I think that says an awful lot.

Mr Archer: No. As I mentioned earlier, if anybody has any questions now, or later for that matter, feel free to raise them or contact us. We will be glad to try to explain what we are doing at any time to any member.

The Chair: Would there be any questions now from members of the committee, or would you like to hear the role of the committee staff and then perhaps ask questions?

I would say at the outset that I have not been on the standing committee on public accounts more than once, I guess. It is my understanding that the tradition of this committee is that it is in fact as nearly as possible non-partisan. I think the auditor's video sets the stage for how they do it and sets the stage for how we should do it too.

Mr Bradley, you are smiling. I will not even ask you to interpret that smile.

Mr Bradley: I always found it to be the most political committee in the Ontario Legislature—

The Chair: Is that right? I do remember a few days I sat on the committee when it got a little political.

I would like to ask Ray to explain his role and Tannis to explain her role and then we can have questions after that.

Mr McLellan: My role essentially is to assist the committee in its primary function, that is, the hearings process. As we work our way through the auditor's report in the hearing process, I provide background papers for the committee, outline possible lines of questioning and questions for the committee to consider, and as required by the committee I may produce summaries of particular issues it is interested in, and also produce a final report and annual report at the committee's instruction.

The methodology for me as we select the audits for consideration is to meet first with the auditor's staff and discuss the audits with the auditors involved in the particular reports. From that I go on to prepare a background report very similar to this one used last January. In this report I try to summarize the auditor's report with specific reference to the conclusions, observations and any recommendations made by the auditor. This document is used by committee members in the hearings process.

From this document we move to the next stage, an individual report, which the committee has decided to issue in the past. At times they could just include one or two audits or perhaps more than that. The most important part of this document is to review the testimony and the questions and concerns of the committee, and also to work through to the final recommendations of the committee.

The last stage in the process from the legislative research perspective is to prepare an annual report for the committee. This report may include a series of audits. Last year I believe we had about nine audit reports in here with recommendations. That is the final document at year's end for the committee.

That is essentially the role of legislative research. If there are questions collectively from the committee I can deal with them, or if there are individual questions and a member wants to meet with legislative research to discuss a specific aspect I certainly can do that. That is essentially the role of legislative research, to facilitate and to assist where possible.

The Chair: Perhaps before any questions are fielded, if there are any, we will ask Tannis to explain her role.

Clerk of the Committee: As most of you are aware, the role of the clerk of the committee is to handle the administration as well as the procedural aspects of the committee. I am responsible for making sure we have a committee room to meet in and that there is coffee and juice available. Once we decide on what we will be doing I will contact the ministries, the agencies, whomever we are inviting in, and schedule their appointments when they will appear before the committee. Of course, I am available to give procedural advice to all members of the

committee—that is one of the main functions of the committee clerk—and to give procedural advice to the Chair as well.

The Chair: He needs a lot of it.

Clerk of the Committee: I am not sure how much information you need about what I do, but if you have any questions, feel free to contact me now or later. What I generally have been doing on this committee is setting out a proposed agenda covering four to five meetings. We have not really formally voted on it; it has been left that if anyone had a problem with it, then it was raised. This seemed to work well; people knew what was coming up. Of course, this was pretty well decided by the subcommittee. What was left to me was scheduling people in case there were mixups, where people could not come on certain days. This is something the committee can discuss.

There will be a few things we will have to discuss at some point—probably later would be a better time—once we get into report writing, how the committee wants the format of the committee reports set out; the number of copies each member needs, things like that.

There are a couple of things I should explain. Every year, the Canadian Council of Public Accounts Committees meets. Last year, it was in St John's, Newfoundland, the first week in July. Next year it will be in Manitoba; I understand it will be in August. While we were at that meeting, there was a delegation from Australia which has sent our committee an invitation to appear at a similar type of conference for the Australian-Asian public accounts committees. This will be taking place in Northern Australia in May. It is very coincidental that this happens to be during constituency week, so the committee will have to make a decision on how we are going to proceed on this and whether we will request permission to attend. I am hoping the subcommittee can discuss this fairly quickly, because I should let the people in Australia know.

Otherwise, there is another conference the committee often attends. It is the Canadian Comprehensive Auditing Foundation. That conference is usually held around the first weekend in November. It was in Ottawa this past November and in Toronto the year before. Next year, I believe it will be in Montreal. The committee in the past has sent members to attend this as well.

These are a few of the things that are more or less constant. Other than that, the committee's travel and the committee's agenda will be set by the subcommittee and the full committee.

The Chair: Any questions by any members of the committee? Okay. I would urge you, if you have not already, to go through the material that was given to you, the Guidelines for Public Accounts Committees in Canada. That will be most helpful. From what I gather in just having a look through it some time ago, a lot of this comes from these conferences, discussions between various public accounts committees throughout not just Canada but places outside of Canada. Those conferences are not just holidays. They are working conferences. More often than not, a paper is delivered by the Chairman at those

conferences on how the operation is here so we could share with our colleagues in the Commonwealth.

The other thing I would ask you to look at is the standing order that sets up this committee. It is very broad. It gives significant authority to the committee to review things, unlike most committees that are set up where they have specific direction. If they want to get greater direction, they require a motion in the House to give them that direction.

If there are no further questions, then the next item we would discuss—it will have to be in general terms—would be the committee's budget. For the new members, once the budget is struck and approved by this committee, and more than likely it will be looked at or considered by the subcommittee—it is my understanding that under the standing orders if the subcommittee approves things then they are in fact approved, and when it comes back here they are—

Clerk of the Committee: No. That is from another subcommittee.

The Chair: Okay, but they will probably consider the budget and present it at the next meeting. In fact, our next meeting, which will be next Thursday, will probably be a fairly brief one in that you will probably see what the subcommittee has agreed to in terms of things to do. Also, perhaps we will have some idea of what the budget truly is, because it has to go the Board of Internal Economy when?

Clerk of the Committee: We would like to get it in as quickly as possible, because at this point the committee

has no budget. If we are meeting in the intersession, we will need funds for everything we do.

The Chair: Yes. Tannis is paying for the coffee out of her pocket, so we do not want that to continue. Those are the things that will happen on the next occasion. Perhaps I could get some feeling from the committee right now about whether the next committee hearing would be 20 December, whether we wish to sit on the 20th, considering the fact that that will probably be just the day of the break. Any views on that? Is anybody interested in sitting on 20 December?

Mr Cousens: I suggest that we sit next week, we make approvals of what we need to do for a budget and plans for the year and that that would be sufficient and that we not meet on 20 December.

The Chair: All right.

Mr O'Connor: Perhaps the subcommittee can come back with a report.

The Chair: We will, on what we are going to do, but I just want to get some handle on whether you want to say now that you do not want to sit on 20 December. I think that is the tenor of the suggestion. I do not think we need a motion on it. Is anybody contrary to that? Okay.

Mr Bradley: Not unless a major scandal breaks that we will deal with non-partisanly.

The Chair: All right. That gives the clerk and myself and the subcommittee some idea of how to plan. The clerk indicates that is everything. We stand adjourned until 10 of the clock of next Thursday.

The committee adjourned at 1047.

CONTENTS

Thursday 6 December 1990

| | |
|--------------------|-------|
| Organization | P-329 |
| Adjournment | P-331 |

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: Callahan, Robert V. (Brampton South L)
Vice-Chair: Poole, Dianne (Eglinton L)
 Bradley, James J. (St. Catharines L)
 Callahan, Robert V. (Brampton South L)
 Charlton, Brian A. (Hamilton Mountain NDP)
 Conway, Sean G. (Renfrew North L)
 Cooper, Mike (Kitchener-Wilmot NDP)
 Cousens, W. Donald (Markham PC)
 Hayes, Pat (Essex-Kent NDP)
 Johnson, Paul R. (Prince Edward-Lennox-South Hastings NDP)
 MacKinnon, Ellen (Lambton NDP)
 O'Connor, Larry (Durham-York NDP)
 Poole, Dianne (Eglinton L)
 Tilson, David (Dufferin-Peel PC)

Substitutions: Mathyssen, Irene (Middlesex NDP) for Mr Hayes

Clerk: Manikel, Tannis

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P-15 1990

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Standing committee on public accounts

Organization

Comité permanent des comptes publics

Organisation



Chair: Robert V., Callahan
Clerk: Tannis Manikel

Président : Robert V., Callahan
Greffier : Tannis Manikel

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Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Thursday 13 December 1990

The committee met at 1031 in room 228.

ORGANIZATION

The Chair: We appear to have certainly a quorum. Your subcommittee met on Thursday 6 December and Thursday 13 December 1990 to discuss the committee's agenda. It was agreed that the committee would request permission for the Chair and one member of each party, the clerk and the research officer to attend the Conference of Australian Public Accounts Committees in Darwin, Australia, in May 1991.

The subcommittee agreed to request from the House leaders two weeks of meeting time during the winter adjournment, namely, the weeks of 4 February and 25 February 1991.

The subcommittee agreed further to review the following sections of the Provincial Auditor's annual report: the three inspection audits and other matters on universities and sections 2.11 and 2.12 of the 1990 Provincial Auditor's annual report on inspection audits of boards of education.

That is the subcommittee's report. Does anyone have anything to say on it?

Mr Bradley: Just briefly, one of the things I observed over the years, and the government recognizes this now, is that we transfer a lot of money to transfer agencies, and transfer agencies, until recently, have not been the subject of much scrutiny, as much scrutiny as perhaps they should be. When you think that the government spends a lot of money—and it should be scrutinized, the government that is there—you also have to look at these transfer agencies. I notice the auditor is out into a number of the transfer agencies. If you are looking at particularly the value you are getting for the money that you are spending—you can see it in government; either you are not or you are. The auditor quickly brings it to your attention, and you are in the forum of the Legislature, so the opposition and the news media and others can bring it to your attention.

But with some of the transfer agencies to which the provincial government sends money, you would like to know how they would spend that money on some occasions, because there is going to be a considerable amount of money that is transferred to those agencies. So I think when I listen to some of the lists that the committee has agreed to, it certainly makes a good deal of sense to have those looked at with a good deal of care.

I can recall that a community college was looked at with some interest a couple of years ago. It helps out all of them, I think, when even one is looked at. It helps all to evaluate their own performances and see how they can be efficient, because they will be at the doorstep of the government to demand more money each year, and the government is under great pressure to give that money.

Then of course when you see sometimes how the money is spent as compared to how you might spend it if you had it directly under your own control, you could tear your hair out as a member of a government. I certainly think that is wise to look at those as well as the government agencies themselves.

Mr Cousens: I think Jim has got a good point. That is something we could touch on as we do the sections during the year. I would be glad to see us come back and look at government agencies and develop a strategy to go at them. I think the plan that we have now, if we were to take the recommendation that we discussed, will give us two weeks of valuable review of the auditor's report, of things that came out just currently, and then as we develop our long-term plans, I would be more than pleased to follow Mr Bradley's suggestion.

Ms Poole: I thought, since Don and I were members of the old standing committee on public accounts, it might be good to give the newer members a reason why we are so strong on this. In the last couple of years the auditor has started doing audits of transfer agencies, hospitals, school boards and universities, but the scope of his audit is quite limited because he is limited by the legislation. In our old committee we spent a great deal of time talking about value-for-money audits, about these billions of dollars that go out and about how we have no accountability mechanism for how the money is spent.

We thought, as an old committee as opposed to being a new committee now, it was really an area where there had to be developments soon. It may well be that looking at the universities and the school boards may be the first step in giving the auditor some broader powers in the Legislature and in the legislation so that he can expand the scope of his audit and really do solid value-for-money audits. I think most members who were discussing it felt that this was a very good first step.

The Chair: Shall the report of the subcommittee be adopted?

Agreed to.

The Chair: The next item before you is the proposed budget to go before the Board of Internal Economy. You should each have a copy of it. The clerk has brought to my attention the fact that there is travel included in it, which we had anticipated but, in light of this morning's discussion and the subcommittee's decision, that is unlikely during the winter break. And in light of the fact that our fiscal year ends 31 March, we present a new budget after that. Does anybody have any comments about leaving it in or taking it out? I am sure I will get asked by the Board of Internal Economy why it is there if we are not travelling.

Mr Cousens: I would take out the transportation, since the likelihood of our using it is now very slim. The

universities and the subjects we are bringing in are all Metro-based, so there is no need for us to have to trek anywhere.

Ms Poole: The only thing I am wondering about travel is, if the Board of Internal Economy and the House leaders agree that we are to send a small committee to make a presentation to the public accounts conference in Australia, the clerk had suggested we might be able to get advance fare rates at a much cheaper rate and it might come into this fiscal year. I do not know whether we should put at least a preliminary amount in or whether it is best to go back to the Board of Internal Economy for a supplementary budget at the time, if necessary.

The Chair: I had not thought of that, actually. Maybe I will ask the clerk. Does that make sense, to leave it in there?

Clerk of the Committee: Yes. It might come in handy for that. I also did not put in transportation for members travelling in to committee meetings, which I should have. Between the two of them, I can rework this transportation so that it is just a straight number.

1040

Mr Conway: Is this committee thinking of going to Australia?

The Chair: I think you should be made aware, as you were not able to attend the last time, that actually we have been invited by the public accounts in Australia to take part in the process and in fact to deliver a presentation.

Mr O'Connor: Are you going on a brief leave here, on a sabbatical?

Mr Conway: We have a job to do, as all members do. Australia? Surely you jest. If you want to go back to Oshawa and defend it, I will pay your way.

Ms Poole: I just might point out to the member for Renfrew North, not to question party solidarity, that the clerk had said that advance booking prices for the members would be something in the area of \$750. Now, the last time I looked, it cost about \$300 for a member to fly to Timmins, and we are not talking massive expenditure of moneys. We are talking six members, one from each party, the Chair, the clerk and the research person. So I do not think we are going to bankrupt any treasury, and I do not think any member of this committee should condone that. I also think that if we are going to go to the Board of Internal Economy, we should make it the most cost-efficient method possible. We should also maybe have shared accommodation, that type of thing, and make it a very reasonable proposal.

The Chair: That may be difficult.

Mr Conway: Listen, I mean, the committee will do whatever it chooses. I am just making the personal point of view that it is not the main priority.

Mr Bradley: Did I hear a fare of \$700?

Ms Poole: Seven hundred and fifty dollars advance.

The Chair: That is one way. You do not get back.

Mr Bradley: Is that the whole price, the whole airfare?

The Chair: The clerk indicates that she is not exactly sure of what it is, but it certainly is decreased significantly if we book in advance.

Mr Conway: The cheapest airfare to Hong Kong—and I booked a long way in advance—was \$1,800, I think. That was eight years ago. If you can get a \$750 airfare—

Mr O'Connor: That's a bargain.

Mr Conway: That is a bargain, but that is not my point. I do not think we need to go; we do not need to spend money. I am just sort of registering an initial consistent point of view which the member for Hamilton Mountain will probably recognize.

The Chair: As your Chair, I have been invited. It is a tough world, but someone has to go.

Mr Charlton: Just in respect to the comments that the member for Renfrew North made, and I must concur that it has been an ongoing concern for a number of years now, on the other hand, the member, having been a cabinet minister for the last five years, has not sat on a committee and should understand that committees have not stopped looking at those things that are happening around the world and making requests to the Board of Internal Economy for travel to investigate those matters or to participate in those events. I think it is quite likely that the Board of Internal Economy will do as it does very well, judge the efficacy of this particular request.

Mr Conway: I think the member makes a good point. I can only tell you that having been in cabinet for some considerable time, being responsible for three different departments, I spent half of my day saying no to a variety of very interesting international trips. I mean, it is a wonderful little game that the world has constructed for itself and, if you want to play the game, you can be over the Atlantic or Pacific eight days a week. I am not denying that there are pressures out there to go and participate in the international conference on Ptolemaic science or something, but—

Mr Bradley: It could be safely said, for instance, in comparison, that like the Strategic Air Command, one third of the House of Commons is in the air at all times. I guess when you look at your federal member's brochure, it shows where he or she has been and where he or she is going. There are always lots of photographs from the NATO conference. We always have the Remembrance Day group. They have several things they investigate, Canadian activities on the French Riviera, I think, or something like that. It is always interesting to note that. I do not know what it has to do with this conversation.

Mr Charlton: Perhaps some day in the near future this committee, since we are looking in this committee on a regular basis at government expenditures and value for money—since the Conflict of Interest Commissioner has ruled that members of this assembly cannot use, for example, enticement points from the airlines for personal use, I suggested on a number of occasions that members of this assembly could pool those points for the use of the assembly and committees of the assembly.

The Chair: I am going to jump in here, because my understanding of the public accounts committee is that it is to be a bit more family-oriented and that it is not to be partisan. I do not think there is any partisanship creeping in here, but I think we should set the stage now to avoid this committee's becoming a disunity in the family. If there is anything further to be said that has not already been said, I am going to ask for you to consider adopting the budget. Is there anything further to be said that has not already been said? Is the budget adopted?

Agreed to.

The Chair: It appears to be unanimous.

This would appear to be our last meeting. We agreed last week that we would not meet on 20 December, so the clerk will advise us when we will be meeting during the break. I will see you then I guess, and in the interim, everybody have a merry Christmas and a happy new year.

Mr Bradley: Has your committee already looked into that, the dates? Any tentative dates?

The Chair: We have requested specific dates.

Mr Charlton: Would it be useful if we bounced those dates off the whole committee now to see if there are problems before we proceed?

The Chair: Okay. They were in the subcommittee report. We asked for the weeks of 4 February and 25 February.

The Chair: We had some discussion among those members who were here. Now, I recognize that not all of you were here.

Mr Cooper: Those are the same dates as the standing committee on the Legislative Assembly is asking for.

The Chair: Is that right? Are you on the Legislative Assembly committee?

Mr Cooper: Yes.

The Chair: Well, we may not get those weeks, so what we do here in terms of trying to get specific weeks may be all to naught anyway.

Ms Poole: I know that the House leaders will make the final adjustments so we do not have to be terribly firm about the dates, but I think both Mr Tilson and myself, as opposition Housing critics for our respective parties, may well have a conflict with the date of 4 February. I believe the Minister of Housing wants his public hearings as expeditiously as possible and I assume that would mean from mid-January on. We might be better off to ask for the last couple of weeks in February. It would probably be better to give a blanket message to the House leaders: "Just do what you want, because we know you will anyway, and fit us all in somehow."

The Chair: The clerk informs me, and we had a message to this effect from on high, that we had to have the request in before last Tuesday, I guess it was, so we have put those in as dates we had discussed at an earlier meeting. We probably will not get them. I have never seen yet that you got what you requested.

The clerk tells me that she could inform the House leaders today of a change, if that is the wish of the committee. It seems to me, though, that the member is sitting on both the Legislative Assembly and public accounts committees.

Mr Charlton: I think I agree with Dianne on this issue, that we do not need to get any more specific than what the clerk has already done with the House leaders. Two things happen when the House leaders go through the process of setting up the committee schedule, and some of the government members can attest to this, based on changes that always have to happen. One is that committees vie for time, and the House leaders ultimately will make decisions based on whoever makes the best case for priority. Dianne, you have mentioned the Housing one; it likely is going to get some priority, as opposed to this committee. Not that this committee will not get its time; it may not get it when it wants it.

The other thing that the House leaders will have to deal with, though, immediately upon striking that initial list of sitting times, is the conflicts and their ability to substitute where members have conflicts, because it is the House leaders and the whips who ultimately have to deal with those questions of substitution.

Mr Bradley: I have not been on a committee in a long time. Is that allowed now outside the House sitting, to substitute?

Mr Charlton: Yes.

Mr Bradley: It is now; so it is the prerogative of the other—

Mr Charlton: It is the prerogative of the party and the whip and the individual.

Ms Poole: I suggest, since the letter has gone out, that we not do anything officially, but each one of us who has a potential conflict can just notify our House leader of the fact so that they will be fully cognizant of it. That should eliminate the problems. I think they will try to work around any conflicts we have.

The Chair: We are adjourned to the call of the Chair. Everybody have a merry Christmas and a happy new year and all that stuff.

The committee adjourned at 1050.

CONTENTS

Thursday 13 December 1990

| | |
|--------------------|-------|
| Organization | P-333 |
| Adjournment | P-335 |

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair: Callahan, Robert V. (Brampton South L)

Vice-Chair: Poole, Dianne (Eglinton L)

Bradley, James J. (St. Catharines L)

Callahan, Robert V. (Brampton South L)

Charlton, Brian A. (Hamilton Mountain NDP)

Conway, Sean G. (Renfrew North L)

Cooper, Mike (Kitchener-Wilmot NDP)

Cousens, W. Donald (Markham PC)

Hayes, Pat (Essex-Kent NDP)

Johnson, Paul R. (Prince Edward-Lennox-South Hastings NDP)

MacKinnon, Ellen (Lambton NDP)

O'Connor, Larry (Durham-York NDP)

Poole, Dianne (Eglinton L)

Tilson, David (Dufferin-Peel PC)

Substitutions:

Mills, Gordon (Durham East NDP) for Mrs MacKinnon

Morrow, Mark (Wentworth East NDP) for Mr Hayes

Clerk: Manikel, Tannis

Staff: McLellan, Ray, Research Officer, Legislative Research Service

